FBIS DAILY REPORT

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'OTHER COUNTRIES' FACILITATED SINKING OF BELGRANO

PY040528 Buenos Aires Radio Rivadavia in Spanish 0500 GMT 4 May 82

[Text] The Argentine Embassy in Washington has suggested that the attack on the cruiser General Belgrano may have been facilitated through intelligence reports from other countries. A communique released by the embassy said the promptness and precision with which the General Belgrano was located has attracted attention, a fact that shows that the position of the ship may have been given by sources outside the British Navy.

The communique released by the Argentine Embassy does not name, however, the country or countries under suspicion, but it says the event signifies a British escalation of the conflict and clearly shows that the attackers do not respect the rules they themselves established and that they have violated the international norms for this type of situation.

Navy Eulogizes Cruiser

PY040308 Buenos Aires TELAM in Spanish 0245 GMT 4 May 82

[Text] Buenos Aires, 3 May (TELAM) -- The commander in chief of the navy, Adm Jorge Isaac Anaya, issued a communique on the sinking of the cruiser General Belgrano. Its text reads:

The sinking of the cruiser General Belgrano has been confirmed, and so Adm Jorge Isaac Anaya addressed a message to all the personnel of the navy in which he stated: I send to all members of the institution the assurance that this loss, which is the share of sacrifice the navy offers to the fatherland in these difficult circumstances, will strengthen the decision to continue fighting until the objective of defending our sovereignty is fully accomplished.

Staff Communique

PY032035 Buenos Aires TELAM in Spanish 2029 GMT 3 May 82

[Text] Buenos Aires, 3 May (TELAM) -- Communique No 16 of the Joint Staff states: The Joint Staff reports that as a result of the attack perpetrated at a point 55 degrees, 24 minutes south latitude and 61 [as received] degrees, 32 minutes west longitude against the cruiser General Belgrano, as reported in Communique No 15, there are indications that lead to the conclusion that it has been sunk.

Foreign Ministry Communique

PY040144 Buenos Aires Domestic Service in Spanish 0115 GMT 4 May 82

[Text] The following is a communique issued by the Ministry of Foreign Relations and Worship in the name of the Argentine Government:

Further to the information given by the Joint Staff in its Communique No 15, the Argentine Government hereby reports:

1. That at 1700 on 2 May the cruiser ARA General Belgrano was attacked and sunk by a British nuclear submarine at 55 degrees, 24 minutes south latitude and 61 degrees, 32 minutes west longitude. The ship's crew consists of 1,042 men, and operations are being carried out to rescue survivors.

2. That the above point is 30 miles outside the maritime exclusion zone established by the British Government in the declaration issued by its Defense Ministry on 28 April 1982, which confirmed its earlier decision of 12 April 1982. That zone is demarcated by a circle with a radius of 200 nautical miles which starts at 51 degrees, 40 minutes south latitude and 59 degrees, 30 minutes west longitude, according to the declaration.

3. That this attack constitutes a cowardly armed attack perpetrated by the UK Government in clear violation of the UN Charter and of the cessation of hostilities ordered by UN Security Council Resolution 502.

4. That in face of this new aggression, the Republic of Argentina reiterates to the international and national public its observance of the cessation of hostilities ordered by the UN Security Council in the above resolution. Argentina has limited itself to responding to the British attacks, without using force beyond what was strictly necessary to guarantee the defense of its territory.

Patrol Vessel Hit

PY040204 Buenos Aires Domestic Service in Spanish 0152 GMT 4 May 82

[Joint Staff Communique No 18]

[Text] The Joint Staff hereby reports that the patrol vessel ARA Sobral was hit today at 0130 by enemy gunfire while attempting to rescue a pilot of the Argentine Air Force who had ejected from his plane the day before north of Puerto Argentino and whose radio rescue signal equipment placed him in that area. As a result of the attack, the patrol vessel suffered damage that caused the interruption of its radio communications.

FALKLANDS GOVERNOR DESCRIBES 1 MAY UK ATTACK

PY040254 Buenos Aires TELAM in Spanish 2227 GMT 3 May 82

[Text] Puerto Argentino, 3 May (TELAM) -- The governor of the Malvinas Islands reported today that during the operations carried out on 1 May, two Sea Harrier aircraft were shot down by the antiaircraft artillery at 0800. He added that the first aircraft was hit by a ground-to-air missile, and its destruction was observed by sight by the artillerymen in their position. The second, he added, was hit by our artillery.

The aircraft, he added, hurtled down toward the sea, leaving a column of thick smoke. Later a rescue request was heard on 2850 khz, while in the distance an enemy helicopter was observed trying to pick up the pilot. The personnel of a ground-to-air battery reported that they also hit another Sea Harrier, and it is believed that the aircraft (?also fell into) the sea.

At 1630 three British frigates were seen from the ground positions, and it could be observed that they were attacked by our own planes. One of the three ships was damaged seriously and the three retreated toward the high sea, according to General Menendez' report. Later Argentine Air Force planes returning to their bases surprised three smaller boats of the invading fleet near Chonssene Hill. One of the three boats received a direct hit and the other two received minor damage.

There are reports on other attacks by Argentine troops on other aircraft and ships, but information on this issue in this governorship is insufficient and imprecise, the report of the governor of the islands concludes.

11 British Residents Killed

PY032213 Buenos Aires TELAM in Spanish 2152 GMT 3 May 82

[Text] Puerto Argentino, 3 May (TELAM) -- Two British helicopters that attacked Port Darwin, 90 km west of Puerto Argentina, caused 11 dead and 17 wounded among residents of British origin, "kelpers." We have just returned from there, which was the scene of one of the British attacks and where Argentine troops frustrated the landing of Royal Marines and inflicted a large number of casualties on them.

Most of the population of Port Darwin is made up of civilians who had abandoned Puerto Argentino about 15 days ago to seek a safer place, since the BBC had warned them that the British fleet was going to attack the capital at any time.

The enemy helicopters -- Sea Kings -- machinegunned indiscriminately until they were shot down by antiaircraft artillery equipment installed in the surroundings exclusively to protect the people, since there are no military objectives in the area.

We were able to see the wreckage of the helicopters and the bodies of the crew and took pictures of them. These kelpers were the first victims of a British air attack, which also damaged a Pucara plane that was on the ground for repairs.

As a result of the British attack on Port Darwin, there was a large number of civilian casualties. The Sea Harriers used the "Kerula" type bombs -- we understand this is the name they go by -- which, according to officers, have been prohibited by the Geneva Convention. We are trying to obtain the names of these innocent British victims. This task is being carried out by a group of armed forces experts.

COSTA MENDEZ CRITICIZES COUNTRIES SUPPORTING UK

PY040526 Buenos Aires TELAM in Spanish 2117 GMT 3 May 82

[Text] Buenos Aires, 3 May (TELAM) -- Foreign Minister Nicanor Costa Mendez has condemned the position of states that not only do not support the overwhelming majority on the continent but, on the contrary, take sides with the foreign aggressor, imposing economic and military sanctions on an American state and aiding militarily the extracontinental aggressor power. The foreign minister made these remarks on bidding farewell to Guatemalan Ambassador Carlos Pacay y Pacay at a luncheon at the Foreign Ministry. Costa Mendez decorated the ambassador with the Grand Cross of the Order of May, in the presence, among others, of Latin American diplomats.

Costa Mendez stressed the Guatemalan position of solidarity "together with the overwhelming majority of American countries, something which caused a decision of the consultative organ that clearly and unmistakenly showed the world Latin America's solidarity with the just Argentine cause and expressed recognition of my country's right of sovereignty over the Malvinas Islands." He added that America has been the object of armed aggression on Argentine soil, and stated: We regretfully verified that the lack of historical perception is still prevalent among those who are not part of Latin America.

Returning to the subject of states that side with the aggressor, he said positions like this represent a violation of the commitment contracted by all the American states on ratifying the Inter-American Reciprocal Assistance Treaty (TIAR) and, unfortunately, carry the germ of a very serious fissure in the inter-American system. This, he went on, will be the exclusive responsibility of those who do not respect the continental solidarity expressed at the 20th consultative meeting, and with that position they contribute with encouraging new colonialist adventures in America.

He stressed the Guatemalan position in that forum, and "I toast our two great peoples, our Latin America, the Government of Guatemala and the success of its administration."

Ambassador Pacay y Pacay stated that with profound faith he prayed to God that the Argentine nation and all Latin America will come out successfully from the problem caused by an imperialist, arrogant, colonialist and senile Great Britain.

He recalled that on a certain occasion General San Martin stated that our cause is the cause of the human race. The ambassador added: In our times, allow me to say, with profound conviction, the cause of Argentina is the cause of Latin America, and final victory will be ours. He expressed his gratitude for the decoration granted by the Argentine Government through Costa Mendez, and expressed hope that cooperation between the two countries and among all nations of America will be increasingly closer and more fruitful in the future.

MINISTRY PROPOSES 3-YEAR LEASE OF ISLANDS TO UK

PY032330 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2303 GMT 3 May 82

[Text] Buenos Aires, 3 May (NA) -- A work document that includes as a maximum concession, should diplomatic negotiations be resumed, a 3-year lease of the Malvinas to the United Kingdom is being analyzed at the presidency. The drafting of the document was completed at the Foreign Ministry last Saturday when fighting was taking place in the Malvinas and was later approved by Foreign Minister Costa Mendez on his return to the country.

Foreign Ministry officials who were actively involved in the drafting of the document, which proposes some sort of a lease for a fixed period, based it on Paragraph 3 of the agreement known as the "Isthmus convention" signed in 1903 between Panama and the United States. It is proper to note that acceptance by Great Britain of an agreement of this nature -- like the one concerning the Panama Canal -- would entail its prior recognition of Argentine sovereignty over the islands. Thus the Malvinas would be only temporarily leased to the United Kingdom.

Furthermore, the proposal would have the additional advantage of being based on an agreement whose rules had been accepted by the United States when it signed the Panama Canal treaty. It has been reported that the proposal consists primarily of four points:

-- Argentina would grant the United Kingdom a concession for the use and exploitation for peaceful purposes of the archipelago for a 3-year period.

-- The concession would empower Great Britain to exercise its authority over the islands during the period of the agreement.

-- The third point would include a provision stating that Argentina will resume full exercise of its sovereignty over the Malvinas after exactly 3 years, on the enforcement of the agreement. The draft document would leave blank the day and time at which our country would regain control of the islands.

-- The last point reportedly will state that over the 3-year period, compliance with the clauses of the agreement will be overseen by a bipartite "council of vigilance" [de vigilancia] made up of Argentina and Great Britain, which would draft the regulations that will govern its activities.

Proposal Denied

PY040054 Buenos Aires TELAM in Spanish 0028 GMT 4 May 82

[Text] Buenos Aires, 3 May (TELAM) -- Public Information Secretary Rodolfo Baltierrez tonight termed absurd an NA report that the presidency has been studying a work document that includes as a maximum concession, should negotiations be resumed, the lease of the Malvinas Islands to the UK for a 3-year period. Asked about the accuracy of this report, Baltierrez said: "The report attracts my attention, considering the moment at which it is being circulated." He then termed it absurd.

MONTONEROS CALL FOR CREATION OF PEOPLE'S MILITIAS

PY031455 Paris AFP in Spanish 1929 GMT 30 Apr 82

[Text] Madrid, 30 Apr (AFP) -- The Peronist Montoneros movement called today for creation of people's militias and Latin American volunteer brigades to defend the Malvinas Islands from British aggression.

In a communique given to AFP here and signed by its secretary general, Mario Firmenich, the Montoneros say the occupation of the Malvinas by the military was an act of desperate opportunism. They add that the junta will be incapable of carrying on its initiative, since without the participation of the sovereign people, the dictatorial oligarchy will lead us to a national humiliation.

After stating that only a people in arms will be able to resist the aggression, the Montoneros propose the urgent formation of a provisional government through the multiparty commission, which should make itself legitimate through acclamations in the Plaza de Mayo and which should commit itself to organizing free elections as soon as the danger of war has passed.

They also advocate the formation of people's militias, the release of all political prisoners, the sending of civilians to the Malvinas to be given land to work, the confiscation of British enterprises in Argentina and Latin America and as the formation of Latin American brigades to defend the islands.

PAPER SCORES U.S. DECISION TO SIDE WITH UK

PY030755 Buenos Aires LA NACION in Spanish 1 May 82 p 6

[Editorial: "The United States Chooses"]

[Text] Yesterday was a day dominated by uncertainty in the conflict with Great Britain. Not only did contradictory unofficial news reports contribute to this, but so did the statements by Mr Haig and President Reagan. These statements had the same effect on Argentine opinion as acid on sensitive skin. It can be said that this acid hurt but has not surprised us. The handicap in the mission carried out by the secretary of state was his clear inclination from the first moment to look with more sympathy on the interests of that colonial power than on our country's rights of recovery.

With such preconceptions it would have been difficult for his negotations to succeed. It would have been more honest on the part of the United States not to have taken on this enterprise at all, since then it would not have had to hide its preferences with the risk of failure this implied from the first. The United States reacted with irritation to the fact that Argentina advanced reservations to the plan drawn up by the secretary of state. It could be said that it is supposed in Washington that in questions of their own sovereignty all Latin American nations lack the right to have differing opinions, even partially, from that which the greatest continental power decides on. The belief in the past has sown the seeds of anti-Americanism, which have produced bumper crops for those who, with expansionist aims, have exploited the fruits of such a great error.

From this paper's point of view, and in accordance with what we have said editorially, it is fitting to make a distinction between the military operation of 2 April and the aim of obtaining recognition of our sovereignty in the Malvinas. Since the military operation is a means and not an end, we view compliance with Resolution 502 as reasonable as long as it be accompanied by an international guarantee concerning recognition of our sovereignty. Satisfied with this aspect, which can be resolved in reasonably flexible terms, all the accompanying details should be susceptible to negotiation.

If what interests Great Britain is the situation and the possessions of the islanders and the prospects for exploitation of surrounding areas of the islands, the road to negotiations appears to be very wide. The worst thing is that all the steps taken by Mrs Thatcher tend to revive the institutional corpse of the intangible colonial principle. And it is most deplorable that the United States yesterday showed its willingness to respond favorably to the petitions for military support for the British forces, since it thus becomes associated in the military field with the prolongation of an act of usurpation carried out 149 years ago.

Without doubt the Malvinas affair is destined to have strong repercussions on internal politics as well as on the international situation. For the present, there is no doubt that majority of Latin American nations differ with the latest U.S. decisions, to the same extent to which they back Argentina. This has upset the inter-American system and yields no benefits to any of the member countries. The balance is even more negative if one looks at the weakening of the ideals of those who consider themselves among the nations of the West. But the political results will have to be seen in due time. There are different critical things now: Although everyone talks about the will to negotiate, the shadow of war looms over the South Atlantic.

Effects on U.S., Europe

PY040128 Buenos Aires LA NACION in Spanish 2 May 82 p 6

[Editorial: "Blood and Fire"]

[Text] "...Although everyone talks about the will to negotiate, the shadow of war looms over the South Atlantic" -- these are closing lines of our editorial yesterday and they are suitable to open today's editorial, since the clearly warlike developments that have ensued since then are in keeping with the same line of thought. Urged on by the time limit in which they must carry out their operations, British forces yesterday bombed the Malvinas as part of a frustrated ground invasion.

Undoubtedly the U.S. decision to support the aggressor country has precipitated the first armed attack. Therefore it is odd that the first British attack should have taken President Reagan by surprise. Moreover, this fact could imply that the U.S. President has been permanently misinformed on a number of issues concerning the conflict.

Moreover, deficient and erroneous evaluations have led to the verge of a schism in the inter-American system. By disregarding a resolution approved by the majority of Latin American nations -- something which is witnessed -- the United States has inflicted a mortal wound on the Inter-American Reciprocal Assistance Treaty (TIAR). Moreover, it has always been understood that at a meeting such as this TIAR meeting, member nations -- even those that voted against the will expressed by the majority -- are bound to comply with the decision as approved. But the U.S. Government did not oppose this resolution; it merely abstained from voting.

Therefore the biased attitude officially announced in Washington 48 hours ago is highly significant. It means the United States not only does not feel obliged to comply with its commitment but also not with those treaties and agreements that have been signed by its representatives.

Among the many unfortunate things being deduced from this grave emergency, we must note this regrettable situation, since it undermines international law and hinders the path of future international relations. On this basis we insist on what we have already stated: The lack of reasoning with which Great Britain -- and even those that support its theory of continuing its colonial status in the Malvinas -- has confronted this problem will undoubtedly weaken Western relations. In this regard we must already assess what has been lost in the ethical sense, in addition to the splitting up of the inter-American system. Moreover, we also have to note the gradual effects this struggle will have on the European continent. The FRG's concern and Italy's gradual reluctance to continue supporting the United Kingdom on the EEC economic sanctions are significant developments.

But the most significant European reaction came from the Spanish Government, which yesterday issued a statement. In its declaration the Spanish Government regrets "that the colonial issue, whi is the basis of the dispute, and regarding which Spain has always supported the t. .tional Argentine position in keeping with UN doctrine, has been overlooked. ' This statement is quite clear.

Beyond the inevitable tragic results of yesterday's military developments, there is a fact that the nations witnessing this duel cannot overlook: Argentina has not brandished its arms for a superficial reason. It is fully convinced that this is a just cause and it is willing to uphold it with blood and fire. Moreover, it does not stand alone in this cause. Nevertheless, it hopes that this blood and fire will be replaced by words and fruitful negotiations.

HERALD on U.S. 'Turn'

PY021917 Buenos Aires HERALD in English 2 May 82 p 8

[Editorial: "The U.S. Shift"]

[Text] While it is, perhaps, possible to understand that due to commitments to Western defence on the European front the United States feels that it cannot turn against a power as important to it as Britain in a bilateral dispute which Britain is fighting with another, but strategically less important and traditionally looser linked U.S. friend, it is, nonetheless, difficult to understand why Washington has decided to take such a vehement stand against Argentina in the Malvinas conflict. It was becoming obvious that the United States, which was acting as mediator in the conflict between Argentina and Britain over the Malvinas Islands, was, in the end, having a very difficult time remaining objective and impartial in its treatment of the problem and that Washington was under increasing pressure from London and from congressional lobbies and the press at home to take the part of its ally of two world wars and motherland of the U.S. way of life. Most observers expected the United States to express its support for Britain if mediation failed, but the sharp rebuff given to Argentina on Friday seemed excessive. It would surely have been enough for Washington to state that its mediation effort had failed and that it was lending its political support to London, had it felt that such a move was necessary. But to go from there to virtually slapping Buenos Aires in the face by bringing military and economic sanctions against it beside offering material support to Britain was an unwise move for a former mediator to make, since it tends to cheapen the image of the mediation effort and that of the men who organized it.

By having a crack at Argentina before stomping off in a huff instead of merely regretfully dropping the mediation effort, the administration of U.S. President Ronald Reagan has made it appear that the mediation effort of its Secretary of State Alexander Haig was never viable in the first place. It looks, whether justly or not, as if the only reason the U.S. entered into the mediation effort in the first place was to see what advantages it might reap for its friend, Britain. The rebuff to Argentina also gives the appearance of being a case of sour grapes, as if Mr Reagan's government, and General Haig in particular, were trying to punish Argentina for not being able to agree with the terms of a proposal for the peaceful settlement of the Malvinas dispute, which Mr Haig said Washington sees as a pretty good plan.

By taking the action that it has against Argentina, the U.S. has ingratiated itself with Britain, but it has lost out on several other fronts. This has been a test of its role in the Organization of American States, where, through its action on the Malvinas issue, Washington has shown that the OAS does not draw the kind of U.S. support that it may have believed it did. It will certainly make little countries which may have seen the U.S. as the protector of the underdog feel that in fact Washington will dump them when the chips are down.

The affair has given the Soviet Union a powerful propaganda weapon in its effort to paint the U.S. as a colonialist power. And it has undone much of the tedious diplomatic work which the U.S. has carried out in recent times to try to establish closer ties with its Latin American neighbours.

FINANCIAL SPOKESMAN SAYS U.S. SANCTIONS UNCLEAR

PY301710 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1653 GMT 30 Apr 82

[Text] Buenos Aires, 30 Apr (NA) -- Finance Palace official spokesman Alfredo Duran said the economic sanctions the United States will impose on Argentina are still not very clear. Asked about the opinion of Economy Minister Roberto Alemann on the measures announced by the Reagan administration, Duran said: "Any comment will have to be made by the Joint Staff."

He noted, however, that according to available reports, the U.S. economic sanctions are related "only to payments and are not as serious as the ones adopted by the EEC."

Will Service Foreign Debt

PY040330 Buenos Aires LATIN in Spanish 2109 GMT 3 May 82

[Excerpts] Buenos Aires, 3 May (LATIN-REUTER) -- Argentina will continue to service its foreign debt without problems, Economy Under Secretary Jorge Bustamante said today in a radio interview. The Economy Ministry has been studying new measures designed to preserve the country's foreign credit, its international reserves and its image before foreign creditors, Bustamante said.

He did not give details of the measures, which he said will be submitted for the consideration of President Leopoldo Galtieri. Bustamante said it is the role of the Economy Ministry to secure funds to guarantee the success of the Argentine defensive efforts in the South Atlantic and to guarantee continued compliance with its foreign commitments.

The Argentine foreign debt amounts to $34 billion, $9 billion of which are owed to U.S. banks. The rest is related to European and Far East credits. The Argentine reserves amounted to $5 billion at the end of last month.

ECONOMIC AUTHORITIES CONSIDERING NEW MEASURES

PY030718 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0238 GMT 2 May 82

[Excerpts] Buenos Aires, 2 May (NA) -- According to unimpeachable sources at the Finance Palace, a new analysis of emergency economic measures that would be applied depending on the evolution of the conflict with Great Britain was made tonight by the economic team. The meeting was held in Minister Alemann's residence, and the secretaries and under secretaries of the Economy Ministry participated. However, Central Bank President Egidio Ianella did not attend the meeting.

Although the analysis of the economic measures being contemplated is surrounded by secrecy, a source from the Central Bank recalled that tomorrow, Monday, prior authorization for payments abroad will begin to be studied, because authorizations are one of the main instruments for establishing control over the outflow of foreign exchange, thus preserving foreign reserves.

Incidentally, a well-qualfied source in the economic leadership, who was asked about rumors in business circles that there was a plan to install a form of compensated-for devaluation [devaluacion compensada] said, "I will say nothing."

The decision to readjust the exchange rate would be intended to stimulate the sale of grain, which the exporters are withholding while expecting something like that. Possibly the sale of these stocks could bring in foreign earnings to the tune of $2.5 billion.

At the same time, for the purpose of blunting the internal inflationary effect of an adjustment in the exchange rate and for increasing fiscal revenues to finance military costs, government withholdings on grain exports income will be increased above the 10 percent now in force.

Also for the purpose of raising revenues, business circles believe that the prices of fuel will be increased and that such increases will go directly to the National Treasury. This measure would be intended to keep the eventual increased tax burden on the lower income classes as light as possible. This way, should the government's financial needs so demand, there will be no need to resort to printing money, a measure that would only result in higher tax burden via money-supply-induced inflation.

Details of Measures

PY022026 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0215 GMT 2 May 82

[Text] Buenos Aires, 2 May (NA) -- Within the next few days the Economy Ministry will implement new economic measures that will modify the current ones that regulate economic activity in order to adjust the economic measures to possible changes that might be brought about by the Anglo-Argentine military conflict over the islands in the South Atlantic. These measures will be designed to control the economy in case all the channels for finding a solution to the armed conflict lead nowhere, as seems the case at present.

Should the above case not occur, the present measures will presumably be made more flexible, but this possibility is dismissed by high-level sources at the Economy Ministry. The ministry is currently working on drafting emergency measures to confront the present economic crisis.

Among these measures are implementation of an additional tax to finance war operations, but this tax will be levied only if the conflict on the Malvinas escalates. Among the package of measures being analyzed by the Economy Ministry are some designed to hinder imprts even more, although imports have virtually been suspended. This measure, together with others of a financial nature, pursue the object of preventing any spending of currency so as not to affect the low level of the Central Bank's currency reserves. The current Argentine reserves of foreign assets presumably amount to less than $4 billion, out of which $700 million will presumably be put into circulation.

Simultaneously, studies for a refund on exports according to the tax rate that is paid by each industrial sector are being stepped up. The incentive will presumably be above the 10-percent figure for some of the taxpayers who pay high taxes, but in other cases the average refund will be below this figure. Therefore, the average refund will presumably be about 10 percent.

These measures pursue the sole object of increasing the level of reserves with a view to curbing the delicate situation of the Argentine external sector, which has been worsened by the tripling of the foreign debt in the past 6 years. Foreign financial commitments amount to $33 billion, of which $24 billion were undertaken in Europe (especially in England) and $9 billion with U.S. banks. For this reason, the measures of major importance are those related to the way in which Argentina will comply with its foreign commitments.

In order not to alter the relations with the U.S. banks, despite the sanctions that were implemented by the Reagan administration, against Argentina, Economy Ministry officials consulted two U.S. lawyers on the U.S. banking laws. This evisages the possibility of the foreign debt issue coming to the forefront again shortly through the implementation of measure of a more general nature than the ones that were recently implemented.

Some banking circles are speculating about the possibility of cancelling the external financial debt with external bonds, as is the case with the cancellation of the payment of royalties and transfers.

This alternative is included in the decree signed by President Leopoldo Fortunato Galtieri himself last week on putting into use that mechanism "for any other type of operation."

This rumor could not be confirmed by the Economy Ministry, where it is believed that extending that mechanism would imply a suspension of payments, and this is precisely a situation that Minister Roberto Alemann wants to prevent by all means.

Alemann wants to compy with all external commitments, but his intention is being delayed by events.

The first step that was taken to this effect was the implementation of an exchange control system. Implementation was completed in the past few days through the successive reductions in the reserves the banks have deposited in the central bank, with a view to putting money into circulation, and later on through the measures that were implemented to "delay" imports.

These measures were studied over the weekend by Alemann's "inside" team which met a the Economy Ministry last Saturday. The official decisions that are made on economic matters will undoubtedly cause many surprises in the Argentine community. In order to reorganize the financial system as soon as possible, the various financial organizations which have a delicate situation regarding their assets will continue to be supervised and a larger number of controls will be exerted.

This supervision favors the concentration of the deposits that flow from liquidated financial organizations in the banking sector, because these deposits are made in first-line banks that are currently offering more attractive interest rates and financial security.

This supervision costs the state a lot of money. On just one occasion, in the Rio Parana financial organization affair, it had to disburse approximately $200 million to redress the fraud that was perpetrated and to return deposits to the customers.

The financial provisions will be made known along with the possible actions that might be taken by the General Directorate of Taxation that stopped the implementation of many such supervisions. This measure is believed to be the beginning of a set of more extensive measures to resolve the problems that are brought about by the debt the business sector has with the state.

Emergency Tax

PY011716 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1656 GMT 1 May 82

[Text] Buenos Aires, 1 May (NA) -- Today the Economy Ministry discussed the implementation of an emergency tax to finance the expenses which the clash with Great Britain may demand.

A high-ranking source at the Finance Ministry stated at noon today that "the Finance Ministry's intention is not to finance the expenses by increasing inflation, but through an emergency tax."

This decision was made during a meeting held this morning by the economic team during which it was decided to implement emergency economic measures in order to maintain the level of international reserves and avoid drastic changes in the financial market.

At the end of the meeting the finance palace spokesman stated that the measures implemented this morning will be analyzed once again this afternoon during a meeting which will presided over by Minister Roberto Alemann, who was not present at the first meeting.

The source refused to give any information on the scope of the new measures, but stated that "they are all aimed at generating reserves, since money is a critical factor in this situation; they are aimed at generating resources to finance the war expenses."

He added that "it is the finance palace's intention not to finance the expenses with a greater inflation, but rather through an emergency tax."

The source stated that for the application of the new tax there are several alternatives but that they all try not to affect the lower income sectors.

He ended by pointing out that "the emergency tax would be imposed on certain sectors which have the ability to pay it since they are less affected by the crisis."

Spokesman Denies Tax

PY012040 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2027 GMT 1 May 82

[Text] Buenos Aires, 1 May (NA) -- An official spokesman of the Economy Ministry has denied reports that the economic cabinet may have considered the levying of an emergency tax to finance the expenditures deriving from the confrontation with Great Britain.

The spokesman noted that the cabinet had met but to discuss several alternatives in the face of possible developments of the crisis.

Measures on Oil Prices

PY040603 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2347 GMT 3 May 82

[Excerpts] Buenos Aires, 3 May (NA) -- The government's economic team is studying the implementation of a considerable increase in the price of fuels -- on the order of 15 percent -- as part of the "emergency" economic program that will be adopted to strengthen the level of foreign reserves and to finance military expenditures demanded by the conflict between Argentina and Great Britain.

The program, which will be set in motion with a sizable increase in the price of fuels, has been prepared by the economy subsecretariat and it is now being reviewed at the highest level in the Economy Ministry and the Ministry of Public Works and Services.

Higher readjustments will be applied to heavy fuels such as fuel oil and diesel fuel, while lower readjustments will be imposed on lighter fuels. These readjustments will be intended to bring about reduced consumption, thus making available exportable surpuses.

This measure will produce revenues that can be collected more easily and more rapidly, thus permitting the state to quickly obtain funds to meet the emergency military costs.

Along with these price readjustments for the consumers, higher returns will be paid for extracted oil to YPF [government oil deposits]; and an additional tax will be imposed on part of those higher returns.

These fiscal fund-raising mechanisms are favored by those who want to avoid tax increases with their inflationary consequences.

JAPANESE EMBASSY DENIES ECONOMIC SANCTIONS

PY012018 Buenos Aires TELAM in Spanish 1959 GMT 1 May 82

[Text] Buenos Aires, 1 May (TELAM) -- Press reports indicating that Japan has imposed economic sanctions on Argentina due to the southern conflict are completely unfounded and absolutely false, the Japanese Embassy in this capital has stated.

The following is the text of a press communique issued by the Japanese Embassy:

The Japanese Embassy has the honor of informing the communications media of the Republic of Argentina that some reports released by international news agencies to the effect that Japan had imposed economic sanctions against Argentina due to the South Atlantic conflict are completely unfounded and absolutely false since the Japanese Government has not modified its positions.

JORNAL DO BRASIL BLAMES WAR ON ARGENTINA

PY031023 Rio de Janeiro JORNAL DO BRASIL in Portuguese 2 May 82 p 10

[Editorial: "One Blow After Another"]

[Text] The British offensive unleashed yesterday against Argentine positions on the Falkland Islands marks the final stage of a conflict which has been in the making since the invasion of the islands a month ago and since the British decision to dispatch a powerful fleet to the South Atlantic.

Much can be speculated on the blow this attack caused to the inter-American system in view of the U.S. decision to officially support Great Britain. As for the events, they are quite clear and need not be interpreted in any sophisticated fashion. By taking South Georgia Island and by the bombing it launched yesterday Great Britain has responded to the humiliation it sustained in the conquest of the Falklands by the Buenos Aires military junta. What still remains to be seen is whether Buenos Aires may have taken into account from the beginning the possibility of this response. National pride is not the exclusive privilege of any given country. A nation which had been grossly offended does not respond accordingly only if it is in no position to do so. This was the case of Poland in 1939 when it was attacked by the Nazis; this was also the case of Czechoslovakia in 1968.

Great Britain was in a position to react and it would be naive to believe that it would have dispatched its fleet on such a long, expensive mission only to engage in an endless verbal dispute with Argentina whch, furthermore, has not promised anything but continued to maintain its demand of immediate, undisputable sovereignty over the Falkland Islands.

The position adopted by Washington at this last stage of the conflict has deeply shaken the inter-American system. Yet it was also naive to doubt that there existed a special relationship between the United States and Great Britain. This is something that should not have been put to the test. For a variety of reasons, the inter-American system is still a project which needs to mature and to materialize. The link between Washington and London has always been strong as it reflects a kinship of language, race, culture, ideals and political practice, which in no way resembles an alliance among the rich and the poor, countries of the North against countries of the South.

The Argentine junta, which had disrupted the tranquillity of the continent and the basic principles of international coexistence by attacking the Falklands, does not respect its people either: As of now the Argentines, who had not been consulted about that insane decision, now can no longer know what is happening due to the norms imparted to the mass media by the armed forces general staff. It is now a crime against national security "to disseminate information which might undermine the credibility or might contradict the official information," or "which might weaken the conviction about the Argentine rights." This means that at a crucial time in the life of the country, there can be only one opinion: that of the government. Furthermore, only the government could know what is happening. Based on this guideline, the Nazi regime had driven Germany step by step into a holocaust during the last world war while the people believed -- almost until the end -- that they had been winning the war. To blindfold people like this -- especially a learned, participatory people like the Argentines -- now in 1982 is a truly monstruous procedure. It reflects the weakness of the regime, its inclination toward indulging in megalomaniac attitudes, the germs of Nazism which had been incubated since the last world war when Argentina earned currency through its position of neutrality, which could hardly disguise its syympathy for the Axis, at a time when Brazil was losing men and ships due to its involvement on the side of the democratic forces.

Already tragically shaken by the conflict, the continent still has to deal with the defense of the Buenos Aires regime by Havana, which calls upon all peoples of America "to close ranks" against "external enemies." All this is enough to conclude that the conflict is being surrounded with rhetoric, false alliances and the most cynical interests. It is this type of rhetoric that needs to be avoided. The continent is paying too high a price for the childish impulsiveness of the Argentine military. The inter-American system is lying on the ground and it will not be rhetoric that will help save from the ashes which can yet be rescued.

In a certainly tragic conflict for the Americas, there has been only one aggressor thus far: Argentina. The British action launched yesterday has every characteristic of a retaliation. Until the award of an arbitrator of or the decision of an international court rules to the. contrary, Great Britain will be fighting to restore its jurisdiction over the Falklands which the islanders had never questioned.

PAPER URGES BETTER DEFINITION OF FOREIGN POLICY

PY031546 Rio de Janeiro JORNAL DO BRASIL in Portuguese 25 Apr 82 p 10

[Editorial: "Persistent Phantoms"]

[Excerpts] The absurd crisis over the Falkland islands has suddenly placed what could be called the Western community before a challenge that is so serious to the point of risking, in the gloomiest case, the very existence of that community. This is the moment, then, for Brazilian foreign policy, which has been quite skillful, to better define its objectives. While Argentina is moving to the limits of schizophrenia, courting foreign alliances which are, in the strictly political sense, the opposite of its real domestic reality, there are sufficient indications already that Brazil is listening to the songs of similar sirens, and that there is not much consistency between Brazil's current foreign policy and the policy it practices domestically.

This inconsistency is usually the fruit of immature interpretations of nationalism and of the country's real nature. But it is impossible to disregard the fact that this inconsistency is above all "third world" folklore which has imbued with romanticism the analysis of the international situation during the past few decades.

Regarding foreign policy, that simple analysis of what the Third World is should be sufficient to exercise the "romantic ideas" about the Third World. Of course there is nothing objectionable -- much on the contrary -- about the aggressiveness of the Brazilian foreign policy to open markets in the "romantic" Third World. What is dangerous and is not justified is the spirit, prejudice and discrimination. Increasing the volume of business with the EEC should not conjure up (if there has been real pragmatism) disdain toward the fabulous U.S. market.

Africa is the typical case of the risks which our diplomatic position is running -- for lack of a real pragmatism. We have made a tremendous effort to penetrate Black Africa. This penetration has yielded very little dividends, which was perfectly foreseeable given the general anemia of the new African countries. But to support such a doubtful move, we intentionally cooled off our contacts with South Africa. The Africans themselves are less encumbered in this regard. South Africa is the greatest exporter to the rest of the continent, despite the morally detestable nature of apartheid. But our foreign policy, in some cases, seems to be ruled less by reason than by other considerations.

By pretending to be a Third World country, Brazil will never assume the real role befitting Brazil by virtue of its dimensions. "Romanticism about poverty" has negative effects even domestically: It encourages the emergence of saviors or messiahs: it accustoms society to live under a protective state. The visible result of that general weakening of character is the permanent resentment-filled beggardly attitude adopted by the most typical representative of the Third World.

No one ignores the fact that there are stratified inequalities on the international scale which intensive and competent negotiations should try to correct. But the forefathers of some nations or the so-called "liberation" movements -- always ready to change one dependency for another, playing into the hands of the socialist bloc -- have always been nourished by these inequalities.

Brazil needs to abandon these superstitions (in the etymological sense of the word) urgently. In order to implement a competent foreign policy there is no need to get off the natural route, to get away from our natural traditional alliances. We must not be afraid of becoming a developed country. On the contrary: The contacts we maintain (and that we must develop) with the "first world" are the indispensable antidote against cultural underdevelopment, against the illness of statism. It was not by accident that we contracted debts with the "first world": only from there can the necessary credits come for an ambitious development project such as the Brazilian.

That is the panorama in which we would like to see the Brazilian foreign policy take shape, not in the "museum of antiques" belonging to those who romanticize poverty and backwardness.

CRISIS HAS NEGATIVE EFFECT ON FINANCIAL MARKET

PY010525 Buenos Aires TELAM in Spanish 0407 GMT 1 May 82

[Text] Rio de Janeiro, 30 Apr (TELAM) -- Brazilian Central Bank President Carlos Langoni has stated that the Argentine-British conflict will seriously affect the international financial market and will contribute to increasing even more the degree of uncertainty in the foreign markets.

His statement was learned here today when a secret lecture he gave at the War College Graduates Association Building was revealed in Brasilia.

On noting that the high degree of uncertainty and risk which is present in the world economy is closely related to the difficult political situation, Langoni stated that the great organizations, such as the IMF, the World Bank and the Inter-American Development Bank, are currently going through a state of lethargy and indecisiveness.

He added that this situation prevents them from playing a fundamental and very important role in compensating the foreign imbalance of member countries, especially of the underdeveloped and developing countries.

OAS WITHOUT U.S. SEEN AS UNWORKABLE 'UTOPIA'

PY040740 Rio de Janeiro JORNAL DO BRASIL in Portuguese 28 Apr 82 p 10

[Editorial: "Continental Stability"]

[Text] The importance of a good relationship between Brazil and the United States -- two mature countries and two traditional allies -- becomes evident in the state of uncertainty and bewilderment in which affairs in this part of the world are submerged.

At present Brazil is too conceited to see the above reality since the phase of "automatic alignment" is over. Brazil has diversified its international relationship without necessarily drifting away from the United States.

In the meantime, the inter-American system is experiencing what is probably the most serious crisis of its history. Rhetorical statements of solidarity are of little value when deeds are consistently gnawing at that solidarity.

What explanation did Argentina give its neighboring countries regarding the armed actions it was planning to carry out? What formal or informal consultation was made in that regard? How much attention was really paid to the anxious trips made by U.S. Secretary of State Alexander Haig? Even now Argentina seems to have rejected the possibility of a last visit to Buenos Aires by Haig bearing President Reagan's proposal.

Now then, a bit of common sense is necessary to realize that any inter-American system which by any means might exclude the United States would be theoretical, a utopia. An abrupt armed action against a traditional ally of the United States, despite the reiterated appeal made by the government of Washington, testifies to the uselessness of the inter-American system; therefore, it would be better to forget about rhetoric and hypocrisy. Why appeal to the OAS when an express UN recommendation for Argentina to withdraw its troops is in force?

These are realities which Brazil cannot ignore. More important than preserving the appearance of the inter-American system is to preserve its backbone, which now seems to be based on a serene and firm relationship between Brazil and the United States.

The two countries are fully capable of perceiving that the "collision course" taken by Argentina could do away with the possibility of a truly effective defense system in the Atlantic and of a good coexistance in that area.

It is the above that should be kept in mind when evaluating Secretary Haig's persistent diplomatic efforts. And, in this regard, Brazil has as much interest in the South Atlantic as the United States itself.

South America has been deeply affected by the events which followed the landing of Argentine troops on the Falklands. An attempt was made to invoke the Inter-American Reciprocal Assistance Treaty (TIAR) in completely arbitrary circumstances; in this regard, arguments which were not in keeping with reality were brought forward. The schism they caused within the OAS is the best proof of the weakness of those arguments.

Brazil must not be hypnotized by the crisis. The time has come to adopt a realistic stance and to overcome every form of ambiguity if we are to continue priding ourselves on our pragmatism.

Brazilian-U.S. relations may have experienced difficult times. As always happens, there have been misinterpretations on both sides. But these drawbacks have been overcome through bilateral relations which, far from being merely accidental, stem from political and geographical reasons.

In this case the Brazilian position is undoubtedly particular since we have neither language ties with the Anglo-Saxon North Americans nor can we fully identify ourselves with Spanish-speaking America. Lately, the need to develop the continent as a whole has led to important progress in promoting understanding with our closest neighbors. Within the appropriate context, these achievements have their value. But now Brazil is called on to expand its view of the horizon and its historic perspectives to a maximum.

It is not by chance that we have become major partners of dialogue in the West — and not only in the West. Yet our very growth has expanded our responsibilities. It is this expanded view that has again revived the inescapable issue of the traditional Brazilian, U.S. friendship, a friendship which can now be defended without feats to the extent that Brazil has also diversified its areas of action and interest.

If a sound policy is to be formulated, reason cannot be overwhelmed by emotion. An inter-American system which would preclude U.S. participation and its specific weight will be nothing but a utopia. This is what Argentina seems to be reluctant to understand in the present absurd crisis.

DAILY NOTES UNREST IN ARGENTINE OPPOSITION

PY031834 Rio de Janeiro JORNAL DO BRASIL in Portuguese 30 Apr 82 p 10

[Editorial: "Advancing Without a Rear Guard"]

[Text] Although there seems to be an impasse on the Falkland Islands crisis in view of an imminent risk of war, the same cannot be said about Argentina's domestic front, where the unanimous support that the government seemed to enjoy at the Plaza de Mayo "assembly" has disappeared. Although opposition sectors from all trends had adhered to the first displays of enthusiasm, the Peronist CGT [General Labor Confederation] has already informed the government junta that in case of an eventual war, the subsequent inevitable domestic crisis should not be "blamed on the people."

However, despite the haste with which it is taking place, this change was foreseeable since the "political pact" that was informally sealed at Plaza de Mayo was too artifical to be a lasting one. It has been 4 weeks since the Falkland Islands invasion. Perhaps emotionalism would have remained intact if there were military victories. But this did not happen since the British fleet was able to enforce a total blockade on the Falklands after it retook South Georgia Island.

But for the average Argentine citizen, the spectacle of having to confront in Buenos Aires an uncertain situation, particularly in the banking and financial sectors, were probably more menacing that the advance of the British fleet. These first signs of unrest provide the proper atmosphere for opposition trends -- heading the list is undying Peronism -- which were subdued by the military government, to start raising their first serious opposition.

All this enables us to have a better overall picture of what is taking place in view of the Falkland Islands invasion. However, the heart of the matter is not the sovereignty issue or even the subsequent historic considerations, but the obvious fact that except for high-ranking Argentine military circles, Argentina was taken by surprise by the possibility of war.

Without having had a chance to participate as a nation in this decision, the Argentine people suddenly saw their country engulfed in one of the most anguishing situation of its history. Moreover the government counted on this factor since the Argentine people have had few opportunities to openly express themselves. But an important public opinion sector seems willing to investigate why such grave decisions which may result in dramatic consequences in the life and destiny of the country have been taken. Therefore, it was expected that in the short term opposition sectors would be heading these investigations.

The price that Argentina is paying for the militarization of its political life, which has created a power vacuum and lack of self-analysis, is now quite clear. A famous statesman has said that war is such a serious matter that it should not be left in the hands of generals. But only the Argentine joint staff had a say in the process that led to the decision of conquering the Falkland Islands, thus violating all norms of coexistence between civilized nations.

Brazil is not interested in a weak Argentina that may take an unknown path or perhaps fall again in the vicious circle of an extremely exhausted Peronism. But no one but Argentine leaders themselves are to blame for having lead the country on a path of chaos. If this chaos is to be avoided, Argentina must be willing to start from virtually base one on the painful path of establishing an institutionalized society.

PRESIDENT PINOCHET ADDRESSES NATION ON LABOR DAY

PY040712 Santiago Chile Domestic Service in Spanish 1620 GMT 1 May 82

[Labor Day address delivered by President Augusto Pinochet at session room at Diego Portales Building in Santiago -- live]

[Excerpts] Distinguished president of the women volunteers for social work, Mr President of the Supreme Court, ministers of state, Mr General Comptroller of the Republic, Mr President of the State Council, State Council members, ladies, workers, Chileans:

I wanted to meet with all of you to greet you on the occasion of Labor Day and to pay deserved tribute to the Chilean workers. However, this is the right time to stop our routine and to mediate carefully on the relations between three basic sectors involved in the nation's labor life: workers, businessmen and government.

The present government has shown, from the very beginning, its permanent concern over Chilean workers and their job opportunities. Despite the resistance against the new labor law we can point to two essentially positive developments. One of them is the appearance -- in the labor union sector -- of a considerable number of new leaders who strive to solve exclusively labor union problems and who are free from political partisan ties which had distorted the labor union movement in the past. At the same time, we witness a growing technicalization in the collective bargaining process. All of this has turned into an effective tool for establishing working conditions in each enterprise and has permitted workers to achieve significant conquests without generating inflation, that is, without [words indistinct] as a consequence of inflation, to all Chilean consumers.

Some sectors, which defend their individual interests through populist formulas which actually deceive workers, seem not to have understood the importance of winning the battle against inflation which seriously and chronically deteriorated the purchasing power of the poorer sectors in the past.

The government has also permanently worried about the situation of the poorer sectors, above all of those who due to temporary problems are now unemployed. I am aware of this difficulty Chilean families are confronting; this distrisses me. Consequently, I will not give up until I can find a formula which can alleviate the problem of unemployed persons and promote the creation of new jobs. [applause]

However, since we have a healthy economy, as soon as the international economy reactivates we will regain the development rate we had over the last few years.

The president now addressing you is continually trying to lessen the effects of recession, mainly in the poorest sectors. Therefore, in order not to incrase the number of unemployed persons, I have ordered enterprises rendering public services, mumicipalities and government enterprises to suspend personnel cuts. [applause] And I am also asking businessmen, with the solemnity of today, to do all in their power to avoid new dismissals and to cut their costs through other measures. [applause]

Concerning private sector workers, I have ordered the Labor and Social Security Ministry to undertake the study of a draft law designed for adapting the social statute of enterprises to the present labor and social security legislation, thus permitting every worker to be perfectly well aware of what happens in his enterprise, so that he may take in a responsible way all the measures designed to safeguard his job, adapting his demands to the enterprise's possibilities. [applause] I have undertaken this step because the government is sure that if information channels operate more fluently in each enterprise, the relation between businessmen and workers will improve.

I also call on employees to mediate on the present situation. Current problems should not be used to take measures which may hurt workers. I also call on them to recall the situation of enterprises before 11 September 1973, and to compare it with present conditions. [applause]

I think it is also timely to remind workers of the ill-fated effects of the politicization of Chilean labor union activities in the past. This circumstance might arise once again through the creation of large labor unions which would only serve political purposes disregarding workers' interests.

I cannot fail to mention on this occasion the criticism made against government policies by some officials from institutions that the government has always respected. But what should be made clear is that the government neither tolerates now nor will it tolerate in the future tutelage or impositions from politicized persons, even if they became politicized subconsciously. [appluase] Some of these persons have even asserted that those policies neglect man. What little effort they have made to evaluate what the government is doing. At least they could take the trouble to learn about the gigantic work that has been done and that has permitted the achievement of goals which are so concrete and so essential for mankind [words indistinct] example such as the reduction of infant mortality rate between 1973 and 1981 by more than 58 percent and the reduction of malnutrition figures to 1/7 of its original levels in the last (?6) years.

That we admit that our reality is proof of honesty and responsibility. And this is what the government has always done: Confront the issues and tell the truth, trying to solve the problems with measures adopted in keeping with the circumstances.

I am optimistic because I believe in Chileans and because, based on our experience, we know that we have been able to overcome difficulties which were much harder than the ones we are now confronting.

The defenders of the democratic system, under different names, have attacked us, advocating freedom. I believe all of us agree on our [word indistinct] freedom because this government is not against freedom, it is against political license which is suicidal and which [words indistinct] lies its defense. [applause] those who believe that (?the defense of democracy lies in) [words indistinct]. What a gross mistake. We have confirmed that by ourselves in (?2,000) days, because the enemy of freedom follows other rules in the game. Yes gentlemen, the old system is no longer operational and therefore we have approved a new constitution.

The old system was born and (?gained prestige) when that enemy which today is Marxism did not exist. However, we should now confront it and, therefore, we should have new arms and new procedures. [applause]

This is what all Chileans are doing. All Chileans who have understood the real situation. And Chilean workers have also understood the situation.

Ladies and gentlemen: I want to close this speech with an affectionate message to all Chilean workers, whether retired or in service, to the men who work and have worked. Let this day, of such great significance, be also a day of faith and hope, since all of us together seek the best future for our nation. Thank you very much.

Other Speakers, Events

PY011540 [Editorial Report] Santiago Chile Domestic Service in Spanish at 1450 on 1 May begins live coverage from the Portales building of a ceremony commemorating 1 May Labor Day. Prior to Pinochet's address, Guillermo Medina, member of the State Council and labor union leader, recounts the history of the Labor Day anniversary, says Chile is working to preserve free labor unions, discusses collective bargaining and voices Chilean workers' support for President Pinochet.

The master of ceremonies then announces the names of outstanding workers, who are then presented with awards by President Pinochet and his wife.

Then Labor Minister Miguel Kast Rist begins to speak. He points out the many achievements of Chilean workers since the junta took over the government, notes government measures taken to solve current problems and calls on businessmen to try everything before resorting to the dismissal of workers.

ARGENTINE REPRESENTATIVES MEET WITH BELAUNDE

PY031954 Paris AFP in Spanish 1935 GMT 3 May 82

[Text] Lima, 3 May (AFP) -- Two high-ranking Argentine military officers, who were sent to Peru to fulfill a mission entrusted to them by President Leopoldo Galtieri, arrived here at 1350 (1850 GMT). Immediately after their arrival the envoys left for Government Palace where they met with Peruvian President Fernando Belaunde.

The officers arrived at Peruvian Air Force Base No 8, where the entry of journalists has been prohibited, and it was pointed out that they were making a strictly private visit.

At the Foreign Ministry Building, Foreign Minister Javier Arias Stella disclosed that the military officers (?were the bearers of) a message directly from President Galtieri to President Belaunde.

The envoys are Gen Hector Iglesias, secretary general of the presidency, and Rear Adm Roberto Moya, chief of the military household, who arrived in Lima a few hours after Argentina rejected early this morning the Peruvian-U.S. attempt to mediate announced by President Belaunde yesterday.

GOVERNMENT EXTENDS STATE OF EMERGENCY IN AYACUCHO

PY012006 Paris AFP in Spanish 1857 GMT 1 May 82

[Text] Lima, 1 May (AFP) -- Today the Peruvian Government extended by 30 days the state of emergency, with suspension of guarantees, which has been in force since early March in the Andean Department of Ayacucho, target of extremist terrorism.

In explaining that this measure does not include two of the seven provinces of that department, that is, Lucanas and Parinacochas, the government stated that the terrorist actions continued in that region.

A week ago the state of emergency was also extended by 30 days in two provinces of the Apurimac and Huancavelica Departments, next to Ayacucho.

Terrorist Attacks Reported

PY040557 Paris AFP in Spanish 1553 GMT 3 May 82

[Text] Lima, 3 May (AFP) -- A second lieutenant of the plainclothes police and a civilian were wounded in separate attacks perpetrated yesterday in Ayacucho and dynamite explosions caused a blackout in the city of Jauja, it was reported here today.

Javier Valdivia, a second lieutenant of the Peruvian Investigative Police (PIP) and Silvano Garcia, a civilian, were shot the night before last in Ayacucho, 575 km southeast of Lima, in unclear circumstances and while the curfew was fully in force, the newspaper LA PRENSA has reported.

The newspaper added that on that same night a dynamite explosion and machinegun fire were heard and a light portraying a hammer and a sickle was seen on La Picota hill.

Groups of terrorists yesterday also launched two successive dynamite attacks on two pylons and left the city of Jauja, at the center of the country, in the dark for several hours.

Two explosive devices hurled at the residence of the provincial mayor in Jauja also shattered windowpanes and doors.

Finally four dynamite charges planted on the balcony of the District Municipal Council Building in Canete -- 148 km south of Lima -- were defused yesterday, a local radio station has reported.

FALKLANDS CRISIS MAY HAVE FINANCIAL REPERCUSSIONS

PY031406 Montevideo EL DIA in Spanish 27 Apr p 12

[Text] The Anglo-Argentine conflict in the South Atlantic is, undoubtedly, a potentially dangerous element for the peaceful coexistence of the international community. But, in the case of Uruguay in particular, the direct repercussions will take on a major dimension in view of the close relationship between our economy and the Argentine one.

In this regard, we believe, strictly speaking from the economic and financial viewpoint, that Uruguay will be adversely affected in the long run.

We are thinking especially of the large number of damages that a prolongation of the conflict in the area might cause the country, when what in finance is called "a fluctuation in the margin of risk" occurs.

Based on a range of specific characteristics and circumstances, each country becomes a specific type of "risk-country." According to the type of "risk-country" the country is, it forms part or it places itself within a specific margin of risk. In financial terms, the risk factor plays a decisive role when the international banks have to make decisions on that country. Therefore, the escalation of the risk of virtue of the situation that may be brought about by the Argentine-UK confrontation over the possession of the Malvinas Islands has altered the normal balance in this regard, and this will very likely produce unwished-for repercussions. For example, the financial operations (especially the granting of new credits) may be delayed due to having to meet new requirements, or they may be directly suspended. Therefore, it is in this regard that we believe that the repercussions of the South Atlantic conflict might be really adverse for Uruguay in the long-term.

The consideration of possible short-term "advantages" seems inadequate to us, mainly because those "advantages" will be very small and they will be displaced by the unfavorable repercussions that were outlined above.

To conclude, it must be pointed out that these viewpoints are made strictly from the economic and financial aspect, independently from our deep conviction that the dispute must be resolved through a peaceful and negotiated path to the benefit of the entire international community.

PREPARATIONS MADE TO RECEIVE ARGENTINE PRISONERS

PY302346 Buenos Aires TELAM in Spanish 2149 GMT 30 Apr 82

[Excerpts] Montevideo, 30 Apr, (TELAM) -- Local authorities are prepared to eventually receive the Argentines who were taken prisoners in the South Georgia island as soon as Great Britain decides to bring them to this city, just as Argentina did with the Royal Marines who were taken prisoners unharmed in the same archipelago, and with those taken a day earlier in the Malvinas. Uruguayan officials have in fact contacted the Brazilian Embassy here since Brazil is looking after Argentine interests in the United Kingdom. These questions are followed with deep interest here not only because Montevideo was chosen as the most appropriate site for the exchange of prisoners, but also because a "blood hospital" is to be set up here at the request of the British Government.

BRIEFS

GUATEMALA RECOGNITION -- Guatemala City, 1 Apr (EFE) -- The Guatemalan minister of foreign relations, Alfonso Alonzo Lima, reported today that the Uruguayan Government had officially recognized the governing military junta of this Central American country. [Excerpt] [Montevideo EL DIA in Spanish 2 Apr 82 p 7 PY]

PRESIDENT HERRERA CAMPINS HOLDS NEWS CONFERENCE

PA040134 Caracas Domestic Service in Spanish 2309 GMT 3 May 82

[News conference held by Venezuelan President Luis Herrera Campins at Los Espejos Room of Miraflores Palace in Caracas -- live]

[Excerpts] [Herrera Campins] (Eduardo Perez Ivania) of AFP.

[Question] Good evening, Mr President. A newspaper reported this morning that the Venezuelan Air Force has sent spare parts to the Argentine Air Force. Is this true?

[Answer] As of this minute I can tell you that no material has been delivered to the Argentine Air Force. (Losado Rondon).

[Question] Mr President, I want to complete the question asked by this colleague: Based on statements you've made, if Argentina asks you to send soldiers, officers, tanks, ships and planes, would you send them?

[Answer] You are talking, my dear friend, as if Venezuela were a world power that had all this large quantity of weapons at the disposal of friendly countries. I have been saying regarding this that what has been asked so far from us is political and moral support. We have been given this support at the OAS and through communiques and statements. We have said that any demands and requests made by the Argentine people and Government whom we support during this difficult moment, will be met to the extent they are presented. However, we don't want to reply to this hypothesis. (Fernando Garcia Ponce).

[Question] It has been published that the government is studying the possibility of suspending economic relations with the United Kingdom. Is this true? What can you tell us about this?

[Answer] We are following the development of the events with great interest and attention. We continue to reject the attitude of the Government of the Kingdom of Great Britain and Northern Ireland and recognizing, like the other Latin American countries, the sovereignty of Argentina over the Malvinas Islands but we are not posing, at least so far, either a break in political, diplomatic or economic relations with England." (Nicolas Rondon Ucete).

[Question] Could you tell us now what were the proposals of the U.S. Secretary of State when he met with our foreign minister in Maiquetia? What statements did the United States present to Venezuela?

[Answer] The truth is that when U.S. Secretary of State Haig landed in Maiquetia and was kind enough to ask for a meeting with our foreign minister, it was only to tell him about his mediation efforts between the Argentine and British Governments. At that time, when the U.S. Government had not yet made the statement we all know about and which has been undeniably surprising and bothersome to us, Haig was very optimistic about obtaining a cease-fire and the beginning of negotiations that would lead to the solution of the crisis. Since the situation deteriorated we have not had direct contact with the U.S. Department of State.

[Question] I recently read about a statement by the youth minister according to whom Venezuela and Guyana should start joint exploitation of possible oil deposits located in the area that is being claimed aside from the negotiations. Could this be possible?

[Answer] So far I can tell you that the reports we have are those which we received from a source that reported that a company, which is not Guyanese, found an oil well in the area that is being claimed. However, we have neither proposed joint exploitation nor has Guyana. We are gathering all the information we can to confirm the veracity and the extent of that report. (Elia Gutierrez)

[Question] Now that the U.S. stance regarding Argentina's conflict over the Malvinas Islands is known, will our policy with the United States be reviewed?

[Answer] I believe that what happened at the United Nations first and then at the OAS concerning the Malvinas case, forces the Latin Americans to ponder about the future and orientation of our international relations. At the United Nations, it seems to be the conclusion that all the support expected for Argentina as a nonaligned and developing country was not received from countries in the same position. It is already known that of all the developing countries, Panama was the only one that sided with Argentina at the UN Security Council.

Regarding the OAS,the fact is the attitude assumed by the United States is an attitude which is truly surprising and hurts. It is an attitude which has touched on the collective security of the continent and which is posing to the Latin American countries, the necessity of reflecting on the effort we must make to deepen the unity and integration of the continent and search for a more specific, more realistic path that is less dependent on defense. Of course, it is too early to start contacts on this matter, but I am sure that what Venezuela said and what the government stated through the Foreign Ministry is thought and felt by many other Latin American countries. (Coromoto Alvarez).

[Question] After Cancun, I am one of those who dare say that the effort among the industrialized and developing countries to establish a new world economic order is merely a preface of a book which is far from completion. It seems that after the Malvinas, it will take a long time to at least write the first page on this book. Within this context about these overall negotiations, with this division caused by this conflict between the United Kingdom and Argentina, which do you think will be the future of the overall negotiations, particularly now that there are countries with conflicting positions in Latin America and countries which are still loyal to their former imperial master in Africa.

[Answer] I agree there are difficulties which have existed and still exist for these overall negotiations. Of course, Cancun was a kind of an oasis amid dryness of the predictions on the possibilities for a reactivation in the North-South dialogue. However, the beginning of these talks within the framework of the United Nations has taken longer than was logically foreseeable. Countries such as India have voiced, through statements and an exchange of views, that they are very concerned over the fact that the overall negotiations have not come true. There is no doubt that these incidents will affect these talks because in a continent where it seemed that the wishes of the North and South to discuss these overall negotiations stood a better chance, this problem of the Malvinas will undeniably cause a growing apart. However, I hope that as soon as this transitory stage of [words indistinct] the world, particularly the rulers of large countries, will realize that we need peace as a basic condition for development and progress and that we must obtain peace through a vast policy of understanding, banning war and its advances which are precisely the threats. It is impossible to hold this North-South dialogue in a climate of violence with the desired speed that can lead to a more or less sure settlement. (Dora Barroso).

[Question] [Words indistinct] oil matters, recently told the press that Venezuela every year gives 500 million bolivares to the English-speaking nations of this hemisphere, by selling oil to them at preferential prices. At the most recent OAS meeting, these countries showed that they are on England's side, that they are dissociated from the inter-American system. In view of these developments and of the recent measure to hike the gasoline prices, has your government thought about the possibility of changing that policy of selling oil at preferential prices to those English-speaking nations that lie outside the Latin American sphere?

[Answer] Well, I think that a distinction must be made. First, we must remember that Venezuela acts within the price framework established by OPEC. Venezuela continues to wage a big battle both here and abroad on behalf of OPEC unity and solidarity. We have signed an energy cooperation program with nine countries. These include the five Central American countries, Panama, Santo Domingo, Jamaica and Barbados. It is not that we sell oil to them at lower prices. What we do is give them payment facilities. We also endorse and promote development plans without setting any political conditions.

This is what makes this an almost unique program in today's world where there are so many tensions and pressures. In other words, the same thing we give to Panama, we give to Santo Domingo, Ecuador, Guatemala, Costa Rica, Nicaragua or Barbados. In other words, this really encourages development. These countries pay cash for 70 percent of the oil we supply to them. This amount represents half the amount of oil that each of these countries require, since the other half is supplied by [word indistinct]. If they turn the remaining 30 percent of their bill into development plans, we transform it into a long-term loan, of 20-year duration at 2 percent interest rate. Trinidad and Tobago, the English-speaking nation which, like the United States, did not vote for solidarity with Argentina at the United Nations [as heard], does not receive oil from us. They produce their own oil and have established a cooperation program with the other new English-speaking nations, which somewhat resembles ours. We continue to maintain good relations with the new nations that have been emerging, particularly those in the eastern Caribbean area. This is so because, among other things we believe that it is a hemispheric duty to try to truly integrate them into Latin America. This is something that the metropolis did not allow them to do while they were colonies. We must, therefore, establish an exchange, and a process of familiarization, as well as an exchange of viewpoints, opinions and cooperation that goes beyond the present circumstances. Doubtless, the Malvinas issue seems to seek to affect this process, trying, in effect, to alienate these nations from the rest of the Latin American nations [3-second break in transmission] closest to [4-second break in transmission] the damages that the British aggression has already caused with its violence in the Malvinas and in the hemisphere won't have to be added to this other temporary damage to the necessary unity among our peoples. (Piedad [last name indistinct]).

[Question] Mr President, Colombia has been accusing Argentina of being responsible for the current crisis in the Malvinas. It has even criticized the request for collaboration made by the Inter-American Reciprocal Assistance Treaty signatories, terming these unjustified. Mr President, what is your opinion about the Colombian Government's stand?

[Answer] I respect the Colombian Government's position, which it has adopted as a sovereign nation. All we know is that we have not been in agreement because we have very firmly, clearly and determinedly expressed our solidarity with Argentina, its historic rights and its sovereignty over Malvinas. We are following this international case with great concern and distress. (Victoria Gonzalez)

[Question] Would Venezuela's stand on Malvinas Islands change in any way if the Argentine Government were to receive aid from the Soviet Union and Cuba, which went slightly beyond mere moral support?

[Answer] Such a possibility would undoubtedly have to be carefully analyzed not only by the Venezuelan Government, but by all the hemispheric and world governments, because this would almost amount to turning the Malvinas issue into the beginning of a new world war. In this regard, it might be worthwhile, at a time when mankind seems to be getting off the path of good judgement, to recall a question which was once posed to Albert Einstein, the father of the theory of relativity. When a newsman asked him if he thought that atomic weapons would be used in a third world war, he answered: No, I'm not sure that atomic weapons will be used, but if they are used, I'm sure -- and I am quite positive about this -- that the fourth world war will be fought with stones. Now we will hear (Oscar [last name indistinct])

[Question] Mr President, does Venezuela's stand on the Malvinas conflict vis-a-vis the United States and England, affect in any way the purchase of Hawk planes and F-16's?

[Answer] It in no way affects the purchase of the F-16's. We have made the most progress in connection with this purchase. As for the Hawk planes, that purchase has reached something of a standstill. The many reasons for this have already been explained in the papers on more than one occasion. (Omar Gonzalo Perez) of EL CARBOBENO.

[Question] Mr President, what are the alternatives open to our country if Guyana does not accept or refuses to submit to the text of the Geneva Agreement?

[Answer] Submit to what?

[Question] To the text of the Geneva Agreement.

[Answer] We are sure they don't think we will continue to implement the Port-of-Spain Protocol either de facto or de jure. I am sure that they will abide by the text of the Geneva Agreement. After all, they signed it, just as Great Britain did. (Mary Mogollon).

[Question] What with Argentina's problem, it has been somwhat forgotten that Central America, more specifically El Salvador, is experiencing a very delicate political situation. [Words indistinct] the bloodbath continues. What is your opinion about the new government junta that will preside over El Salvador?

[Answer] The situation has not yet been resolved or anything near it. I hope the transition period between the election of the Constituent Assembly and the approval and promulgation of the new constitution and the holding of new elections for definitive institutions will not take too long. Of course, I hope the possibilities will be created for the holding of negotiations, and talks, especially so there is the chance for a democratic solution that responds to the Salvadoran people's presence at the polls. Their presence was against violence and on behalf of peace.

TRAFFIC CONTROLLERS BOYCOTT BRITISH FLIGHTS

PA032148 Buenos Aires LATIN in Spanish 1802 GMT 3 May 82

[By Orlando Lizama]

[Excerpts] Caracas, 3 May (LATIN-REUTER) -- Venezuelan air traffic controllers announced today through an official spokesman that they will boycott Great Britain's commerical flights to reject the British military actions in the South Atlantic. The announcement was made 6 days after a boycott started in all of Venezuela's ports, against ships flying the British flag.

A spokesman for the air traffic controllers national association said that the union is holding emergency sessions to decide how they will apply the boycott against British airplanes. "We will institute the boycott to reject the colonialist action and in solidarity with the Argentine people, but we have not decided when or how it will be applied," the spokesman for the association said. "Nevertheless, we guarantee that the security of the planes and the passengers will be safe at all times," he added. Last week, air traffic controllers in Peru started a boycott against British planes, in solidarity with Argentina.

A spokesman for [British Caledonian] said they have not yet received notification that their biweekly flights would be affected by the announced boycott. The spokesman added that a flight from London landed in Caracas last night without any problems and received adequate maintenance.

Meanwhile, a spokesman for the port workers union pointed out that the boycott continued today against ships with British flag. The boycott against those ships started last Wednesday and has affected about half a dozen ships, the spokesman added.

Some 60 persons staged a pro-Argentina demonstration in front of the British and U.S. Embassies, demanding the British fleet's withdrawal from the South Atlantic. VENPRES, the official news agency, said no disorders took place and no one was arrested.

Venezuela has been one of the countries that has given the strongest support to Argentina in the conflict and today, Eduardo Fernandez, secretary general of the government Social Christian Party (COPEI), harshly criticized the United States for its support for Great Britain. Fernanadez said that the U.S. position was "a wound in the inter-American system's heart" and reiterated COPEI's support to Argentina in its fight "against colonialism."

Simon Alberto Consalvi, former foreign minister and a member of the Democratic Action (AD) opposition party, said that "when the United States chose its historical alliance with Great Britain, it broke the security system it had."

GOVERNMENT QUESTIONS U.S. TREATMENT OF WORKERS

FL031435 Mexico City NOTIMEX in Spanish 0218 GMT 1 May 82

[Text] Mexico City, 30 Apr (NOTIMEX) -- The Mexican Government said today that Mexican citizens living in the United States are entitled to the recognition of their dignity as human beings and that the appropriate U.S. legislation should apply to them. The Secretariat of Foreign Relations [SRE] said in a press communique that Mexican Ambassador to Washington Bernardo Sepulveda informed the U.S. State Department today about Mexico's stand on the recently undertaken "Jobs" campaign.

The basic elements of this stand are as follows: The Mexican Government has never questioned the sovereign right of every state to formulate and implement its laws and to set its migration policy. Because of this, it hopes that the United States will continue to adhere to the principle of respect for human dignity in regard to the Mexican citizens working in that country.

The SRE indicated that it had received information from some of its consuls to the effect that the Immigration and Naturalization Service authorities had refused to allow them to talk to the detained Mexicans, "which constitutes a violation of treaties on consular matters." It noted that in some of the cases, the detained Mexicans had been pressured to leave the United States, thus denying them the opportunity to which they were entitled on the basis of labor relationship established with their U.S. employers. This action goes against universally recognized legal principles and seriously concerns the Government of Mexico.

The "Jobs" campaign undertaken by the U.S. authorities, the SRE continues, is aimed at locating and expelling a certain kind of worker from the United States, mostly Mexicans who are there without the proper documents.

Lastly, the communique states that in order to implement their plan, the U.S. authorities have resorted to unusual procedures that constitute a virtual negation of the principles of the U.S. Constitution.

CASTANEDA: U.S. STANCE AGGRAVATES CONFLICT

PA012257 Paris AFP in Spanish 2218 GMT 1 May 82

[Text] Mexico City, 1 May (AFP) -- Mexican Foreign Secretary Jorge Castaneda stated today that the position adopted by the U.S. Government regarding the Malvinas conflict will aggravate the situation even more.

In statements published by the local INFORMEX agency, the foreign secretary reiterated the position of Mexico in supporting Argentina's claims to the Malvinas. However, Castaneda also contends that Argentina must comply with UN Resolution 502 which demands that its troops leave the island.

Finally, he regretted that the situation has unleashed a war, referring to the British Air Force's attack against the principle airport of the Malvinas.

For their part, the leaders of the Senate and Chamber of Deputies, Joaquin Gamboa and Luis Farias, respectively, condemned the air raid and were both of the opinion that the existing state of war in the Atlantic may well have "unforeseeable consequences."

"The United States is crucified," Farias noted, referring to the fact that the United Stated belongs to the Inter-American Treaty of Reciprocal Assistance (TIAR) on the one hand and to NATO, on the other. Farias concluded by saying that the United States "chose to be at odds with Latin America by supporting Great Britain."

GROUP PURCHASING FOR PEMEX CHARGED WITH FRAUD

FL040020 Mexico City NOTIMEX in Spanish 2245 GMT 3 May 82

[Excerpt] Mexico City, 3 May (NOTIMEX) -- Mexico's attorney general has reported that the Delta Industrial Group which purchased machinery for PEMEX from foreign companies had defrauded the state of more than 223 million pesos. Four members of its management council who had sent defrauded funds to Swiss and U.S. banks have been detained. They are Ricardo Garcia Beltran, Lorenzo Garcia Beltran, Guillermo Rodriguez Galicia and Jose Hidalgo Ramirez.

CONGRESSIONAL INQUIRY OF CIA ACTIVITIES PLANNED

FL011742 Mexico City NOTIMEX in Spanish 0315 GMT 1 May 82

[Text] Mexico City, 30 Apr (NOTIMEX) -- Luis M. Farias, president of Mexico's National Congress, has announced that a congressional commission will investigate the charges of alleged activities by the U.S. Central Intelligence Agency in Mexico. Farias made the announcement in response to a demand by Socialist Deputy Carlos Sanchez Cardenas during a session of the permanent congressional commission.

Farias said the inquiry had been assigned to the third commission headed by Deputy Salomon Faz Sanchez. He assured that the investigation will also cover the unsolved police case regarding several bodies found in the Tula River some months ago and other unsolved police cases.

CONGRESSMAN CALLS U.S. MANEUVERS 'INTIMIDATING'

PA032037 Havana International Service in Spanish 1600 GMT 3 May 82

[Excerpt] (Cuauhtemoc Amezcua), a Mexican congressman representing the Popular Socialist Party, has charged that the Ocean Venture war maneuvers carried out by the United States are aimed at intimidating the peoples of Central America and the Caribbean.

The congressman added that the maneuvers include a landing operation at the Guantanamo military base against the wishes of the Cuban people and Government as well as a real bombing of the [name indistinct] Islands which is a violent offense to the dignity of the Puerto Rican people.

PAN DECRIES SHOOTING AT POLITICAL MEETING

FL032355 Mexico City NOTIMEX in Spanish 2240 GMT 3 May 82

[Text] Mexico City, 3 May (NOTIMEX) -- The National Action Party (PAN) has condemned the attempt made against its candidate Javier Blanco, deputy from Mexico City's 16th District, and demanded that the authorities investigate the incident. PAN Deputy Hiram Escudero said there was no information as to who pulled the trigger at a meeting presided by Blanco Sanchez where PAN member Gilberto Garcia Gomez was wounded.

Escudero urged that the necessary measures be taken to prevent similar attempts and added that an electoral campaign should not degenerate into acts of violence. The PAN deputy called for an investigation of the events and asked for guarantees that the political campaign will be conducted safely.

STUDENTS DEMONSTRATE AT U.S., BRITISH EMBASSIES

PA031833 Panama City ACAN in Spanish 1746 GMT 3 May 82

[Text] Panama City, 3 May (ACAN-EFE) -- The Panamanian Foreign Ministry was occupied by protesting students for more than 1 hour today. The students were demanding the release of fellow students who were arrested this morning while demonstrating in front of the British and U.S. Embassies. Hundreds of students left the Foreign Ministry after the National Guard released Didimo Escobar and Alberto Ortega, secretary general and operations secretary, respectively, of the progovernment Federation of Panamanian Students [FEP].

The demonstrations in front of the British and U.S. Embassies were held to reject the two countries' stand on the Malvinas conflict and to demand that the Panamanian Government break its relations with the United Kingdom. After throwing several bottles filled with paint at the U.S. Embassy building, located only one block from the British Embassy, the students were dispersed by groups of policemen who fired into the air and arrested several persons. No one was injured.

The students then went to the Foreign Ministry, which is close by, and asked to speak to the minister. Acting Foreign Minister Jose Maria Cabrera met with a group of students who requested that Panama break relations with Great Britain. The students asked Cabrera to act as mediator in obtaining the release of the youths who had been arrested a few minutes earlier.

Since they did not receive an immediate answer, the demonstrators occupied the building, cutting off traffic both into and out of the building. The occupation was short-lived, however, since Escobar and Ortega, who had been released, soon showed up at the Foreign Ministry. Acting Foreign Minister Cabrera promised the students that the government would consider breaking relations with the United Kingdom, but he also asked the FEP members to hold their demonstrations civilly and without disrupting public order.

British Embassy Attacked

PA040219 Panama City Circuito RPC Television in Spanish 0200 GMT 4 May 82

[Text] Last Minute News reports on disturbances this evening before the British Embassy when leftist elements meeting at the Press House and some students decided to throw Molotov cocktails at the embassy. Here are views of the happenings when the National Guard, protecting the diplomatic office, had to fire pellets because the attackers were throwing Molotov cocktails at the British Embassy. This was done to stop the leftists and the students from attacking the embassy. These dramatic views were filmed by our cameraman, (Victor Bustamante).

Here we see the wounded arriving at the Santo Tomas hospital. Please note that as the camera tries to focus on them, they are hiding their faces. These views also show members of the National Guard who transported the wounded to the hospital. They were wounded with pellets when the National Guard was defending the British Embassy, a foreign mission, a defense that is the duty of every government.

Please note how the wounded refuse to look at the camera so as not to be identified. Obviously obeying orders, they threw the Molotov cocktails on the embassy. The National Guard had no other alternative but to fire pellets. This is the Santo Tomas emergency room where the wounded were taken. We have shown this film without much editing so as to bring to you the most recent views. This boy is wounded in the back with pellets. He received the first shot. They are taking care of him. More news of this during our newscast tonight.

COSTA RICA

CARAZO PRAISES CARIBBEAN BASIN INITIATIVE

PA020425 San Jose Radio Reloj in Spanish 2125 GMT 1 May 82

[Speech by Costa Rican President Rodrigo Carazo Odio to the Legislative Assembly in San Jose at the inaugural session of the 1982-1983 period -- live]

[Excerpt] Allow me, Messrs Deputies, to mention a few things that I think are important for Costa Rica's future. During these past years we have lived without international financial aid and I dare say that we are coming out ahead without it. If we were to believe that traditional foreign aid is going to solve all of our ills, we would be making a mistake.

My government has strived to maintain the respect and friendship of all Central American countries, regardless of their political style and ideology, because a ruler's first duty is to preserve peace. However, this prime objective must be obtained with dignity. If we are respected, we must respect in return. This principle means that we must never allow a struggle in our country that would benefit only the great powers.

For the sake of dignity, we did away with the disrespect for Costa Rica that a clan of dictators had continually flaunted. One should not tolerate disrespect from anyone, regardless of how powerful they may be, or whether they are countries, groups or international organizations. We have already shown the world that, though we have no army, we have defeated those who barricaded themselves behind powerful armies.

The defenders of the concept of international social justice continue to maintain that it must be based on the elimination of tariff barriers, on just prices and on incentives for investment from the developed countries. Social and international justice, which are the foundations of peace, depend upon the will of those who hold power. And those who hold power in the international economic field are the great powers.

U.S. President Ronald Reagan, in his speech of 24 February, mentioned two ambitious goals that are proof of his good will and that, for the first time in history, will involve an attempt to use economic power to benefit the smaller countries. Reagan's speech pointed to the need to promote development in a group of poor countries, beginning with equitable treatment in financing and trade. The two points I am referring to are these: He is going to ask the U.S. Congress for authorization to remove the tariff barriers for Caribbean Basin products for a 12-year period, and he will also ask for authorization to grant significant tax incentives for U.S. investors in the entire Caribbean Basin area.

His intentions are clear and reflect good will. This change of direction in U.S. foreign policy is so radical that it has already elicited strong opposition, both domestically and outside the United States. We hope that Congress will approve it because it will benefit the Caribbean Basin, which has been converted into a smoldering tinderbox by years of abject poverty, vested interests, the traditional exploitation, the effects of the world crisis and the struggle between the two superpowers.

We feel that Reagan has made a very intelligent move and we do not share other people's criticism, that his plan has come too late. It is never too late for something that is good. Reagan's radical about-face, no matter what reasons prompted it, is so significant that it should be supported by all Central American and Caribbean countries without any hesitation whatsoever. They should also try to encourage the U.S. senators and congressmen to approve this aid plan, which we hope will be successful, without any discrimination whatever for political reasons.

GOVERNMENT CRITICIZES U.S. SUPPORT OF BRITAIN

PA010311 San Jose Radio Reloj in Spanish 0100 GMT 1 May 82

[Text] Costa Rica has criticized the U.S. position on Argentina. The U.S. decision to apply sanctions against Argentina represents a grave act that is contary to inter-American legality and affect the (?existence) of the Inter-American Reciprocal Assistance Treaty which is an essential element of Costa Rica's international security. This is stated in the communique signed by President Rodrigo Carazo and Foreign Minister Bernd Niehaus.

The communique added that the U.S. unilateral action constitutes a break in the hemispheric solidarity and that this has very grave consequences for regional peace, particularly during the continent's current crisis.

The official Costa Rican Government statement indicates that with the U.S. decision to support Great Britain, the Malvinas conflict threatens to become a worldwide conflict. We energetically reiterate our appeal so that all of the interested parties including the United States will always feel the urgent need to maintain peace for the existence of mankind. Accordingly, we urge the United States and all nations of the world, particularly the Soviet Union, not to militarily intervene in the problem and to instead contribute to peace through dialogue.

The communique added that once again we reiterate our deep concern over the possibility that as a result of these events, an international conflict of incaluculable proportions could emerge. We urge all countries of the continent and the world to contribute to the maintenance of peace by all means possible, the document stated.

PRESIDENT-ELECT MONGE GIVES ADDRESS ON ECONOMY

PA012056 San Jose Radio Reloj in Spanish 0130 GMT 1 May 82

[Speech by Costa Rican President-elect Luis Alberto Monge, date and place not given -- live or recorded]

[Excerpts] [In progress] ...(?president) of the republic; Messrs representatives of the political parties, of the business sectors, of the labor union, of the professional associations and of the people's organizations; compatriots:

In January, only a few days before 7 February, I took a break from the exhausting campaign effort and, in a speech delivered to the country over a national radio and television network, I said this to the Costa Ricans: "The government that I will assume on 8 May, by the sovereign will of the voters, will not be just another government in the history of Costa Rica. It will be the most difficult government of this century. The Costa Ricans must be aware of this fact."

Today I come to reassert this fact. The Costa Rican economy is experiencing its worst crisis in the last 30 years. The rapid economic decline that began 3 years ago has reached unprecedented levels in recent months. One the eve of the constitutional transfer of power, the country is on the verge of bankruptcy. This is what I have come to discuss with you and with all Costa Ricans tonight. I have come to discuss this serious and profound national crisis. But I have also come to hold a dialogue and to explain the central ideas of the emergency plan drafted by the National Liberation Party's political and technical cadres. The government council that will accompany me during my exercise of the presidency of the republic recently ratified this emergency plan.

As the central goal and as an essential condition for the economic recovery of Costa Rica, I intend to restore the citizens' trust. With this in mind, I propose that we implement a permanent policy marked by dialogue and conciliation among the various political and union sectors.

Ours will be a sensitive government, attentive to public opinion and to the views of the management sectors, the labor unions, the professional associations and the people's organizations. This is not only so that they can give us their opinions, but also so that they can participate actively in the drafting and implementation of the various policies. We believe in dialogue with the opposition political parties.

Before my people, I have taken on four great commitments. These four commitments will regulate the daily conduct of the future administration. They are: a commitment to production, for there can be no peace without food; a commitment to social justice, for there can be no peace with misery; a commitment to ethical values, for people cannot be trusted unless their rulers set an enlightening example; and finally, a commitment to democracy, for there can be no progress without freedom.

It is absolutely impossible to try to bring about the recovery of the national economy unless the astronomical fiscal deficit is reduced to a manageable level and unless the tremendous output of money by the Central Bank is brought to an end. We must further reduce public expense. The future administration will be characterized by its austerity. To this end, we have agreed on a number of measures of various kinds, as well as on the need to increase income reasonably and to obtain greater efficiency in the public sector.

The following are some of the related measures:

The budgets for the programs of the various autonomous institutions will be reduced by 10 percent.

There are to be no increases in the expenses of the country's branches of authority during the 1982-83 period, except for those indicated by legal requirements.

A substantial modification of the tax system currently in effect will be approved, in order to achieve a more orderly and just distribution of the tax load, as well as a larger fiscal collection.

Public service prices and rates will be adjusted to reduce the autonomous institutions' huge deficits.

Subsidies will be gradually eliminated so that the actual cost of service is reflected realistically and the serious distortions that the subsidy system generates in the national economy are eliminated.

High surcharges will be established on imports for the clear and definitive purpose of drastically reducing the consumption of luxury items, imported items and nonessential goods.

We will set the example at the government level. Measures will range from these to others, which are perhaps of lesser economic importance but which are still fundamental and essential to the spirit that I intend to develop among all my collaborators: The rationalization of trips abroad on (?official) missions and the regulated use of official vehicles by the administrations's highest-ranking authorities.

A great spirit of public service is essential. It is necessary -- and the required legal adjustments will be made -- to reform the civil service statute and the general public administration law. This would enable the government to rationalize public services and the use of the state's human and technical resources, in order to guarantee greater efficiency and better service on the part of the public institutions.

Those agricultural and industrial enterprises that are in financial difficulty for reasons of exchange but that constitute essential production units for the country, due to the number of job sources they generate, the foreign exchange they attract or the food they produce, must be helped if we are to overcome economic collapse.

We are prepared to place the state's power and capabilities at the service of a national plan to save those companies. To this effect, the following measures will be adopted:

Their working capital will be reinforced through the readjustment of their credits and through new loans, under acceptable banking conditions.

Special attention will be given to those enterprises that have unused productive capacity.

The enterprises' efforts to bring about readjustments will be supported whenever these efforts (?are aimed at obtaining) foreign loans.

The opening of new export markets will be promoted, (?in) both the public sector and among interested private enterprises.

The public sector's technical and administrative aid will be given to specific short-term agricultural and industrial projects.

The foreign technical cooperation required by our enterprises will be requested.

A high-level mixed commission will be organized to assume responsibility for increasing this policy of support and stimulus for those enterprises that are affected by the economic crisis and that quality under the scheme I have described.

We will work intensely to promote exports and to obtain access to new markets outside the area of the impaired Central American Common Market. I have already discussed this in broad terms with the presidents of Mexico and Venezuela. I have also maintained an active exchange of letters with U.S. President Reagan. Several technical missions have complemented these exchanges, in which I have great hope.

A fund for the promotion of exports will be created with a portion of the resources obtained from the surcharge on the import of luxury items and a coherent and pragmatic combination of policies to stimulate the export sector will be adopted. We cannot continue to maintain a passive attitude in the face of the institutional breakdown of the Central American Common Market's legal mechanisms. Subregional integration has reached a standstill and is facing its worst crisis since the [word indistinct] of the Managua treaty.

I fervently appeal to all Costa Ricans of good will, to the men and women who love this blessed land, which was given us by God. I urge them all to collaborate with the future administration. I am calling upon them for a great national consensus. I urge them to work, to practice austerity and to sacrifice. I am appealing to them with both optimism and faith, because I know these people, this country's peasants, workers, businessmen and intellectuals. I call on them because I know that in times of crisis I can depend upon their great moral and spiritual reserves. I call on them because I know that, like me, they love Costa Rica dearly and believe in its democratic destiny and peaceful future. In the next 4 years, beside you, I will dedicate my life to that struggle. May God help and enlighten us in this effort by all Costa Ricans. Thank you very much. Good night.

EL SALVADOR

MAGANA TO SEEK DIALOGUE WITH POLITICAL PARTIES

PA301030 Buenos Aires LATIN in Spanish 1018 GMT 30 Apr 82

[Excerpts] San Salvador, 30 Apr (LATIN-REUTER) -- Salvadoran President-elect Alvaro Magana said last night that he will start talks with the country's political parties to seek a common base for cooperation. He said that this will be his first task after assuming the presidency on Sunday from outgoing President Jose Napoleon Duarte.

As the country's new president, Magana must try to work jointly with the Constituent Assembly, which has special powers. The assembly has the right to veto the president's ministerial appointments. This is in addition to its function to pass laws, draft a new constitution and appoint top magistrates and judges.

DUARTE REMARKS AT TRANSFER OF POWER CEREMONY

PA022346 San Salvador Domestic Service in Spanish 1630 GMT 2 May 82

[Speech by outgoing Salvadoran Junta President Jose Napoleon Duarte at transfer of power ceremony at the National Constituent Assembly -- live]

[Text] With the permission of the honorable Constituent Assembly: Messrs president of the Constituent Assembly, president of the Supreme Court of Justice, president and vice presidents-elect, Your Excellencies ambassadors and honorable heads of diplomatic missions accredited in this country, ministers and under secretaries of state, deputies to the honorable Constituent Assembly, magistrates of the Supreme Court of Justice and of the Court of Accounts, members of the Central Electoral Council, representatives of international organizations, Your Excellencies and very reverend bishops, chief and officers of the armed forces, representatives of the political parties, ladies and gentlemen, Salvadoran people:

Today I will not deliver a formal speech because this falls to the president-elect. I ask for your permission only in order to limit myself to express my personal feelings.

If some historian tried to determine the culminating point of my political life, he would probably suppose that it was that election of 1972, which we won so clearly thanks to a people who, despite all the fraud, frustrations and deceptions, maintained their faith in democracy latent and alive.

Or it could have been that summit meeting of rulers who, gathered in Santa Marta, Colombia, did not hesitate to pledge the prestige and the credibility of their investitures as presidents of the democratic countries of the Bolivarian countries, and told the world unhesitatingly that they trusted my democratic inclinations and endorsed my effort to lead the country along the paths of justice and freedom.

No. This is the most important and highest moment in my political life, the most marvelous moment. It is so because it represents the culmination of a profession of democratic faith. It is so because with the people's support we have kept our promise to sponsor free elections. It is so because without disappointment, shock or deception we are turning the interim presidency over to a man, Dr Alvaro Magana, whom the freely elected members of the Constituent Assembly, who are the people's legitimate representatives, chose through their vote.

I wish to digress here to say, on this memorable occasion, that Dr Alvaro Magana is my friend. It is not on account of this, however, but because the present cicrumstances make it necessary to inform the citizens clearly that Dr Magana is a moral and technically and politically ethical individual capable of assuming the great responsibility of guiding the country's destiny at this crucial time in our history.

I wish to underscore once again that this is the most authentic moment for the revolutionary junta, the greatest one, the most important. It is the culmination of all those things we upheld, all those things we believed in, all those things for which we fought and suffered, all those things for which we risked our lives.

Behind us lies a path that has been difficult for all of us to tread. It has been a path marked by suffering, needs, sadness, bitterness and mourning. But this path has also enabled to lay the groundwork for democracy and to begin our country's most profound political reform as well as its most important structural reforms.

Because of these actions, we have been criticized in the past and will continue to be criticized. It doesn't matter. Someone once said that one can avoid criticism by not saying anything, by not doing anything and by not being anything. Paradoxically enough, in these criticisms we also find another source of satisfaction, since all the political parties represented in the Constituent Assembly have honored the fact that led them to their seats by accepting the fact that the basic reforms introduced by the revolutionary government junta will not retrogress, will not be suspended. Instead, they will be furthered. This is a victory for the Salvadoran people. Can there be greater victory for a political movement than to see its ideas and beliefs materialize?

Salvadoran people, ladies and gentlemen, friends: As an individual, I did not become involved in politics by chance. For me, politics is an ethic and my desire to serve led me to it. As a professional, I could have made a living easily and without sudden shocks. As a politician, I could have easily won death. However, our country needs us, all of us. Our companeros, our brothers who writhe amid desperation, hunger and injustice need us, all of us. Never mind our sacrifices, or the dangers we may run. It is our duty to help them. We must do it, all of us.

As a democrat, I firmly believe that the people do not make mistakes. This time they have elected those whom they regard as the best among them. Like the rest of the people, I too have faith in them. Let us not disappoint them. Let us continue, all of us together, improving the country, improving the lot of our compatriots. We must try it. It is our historic duty to turn over a better country than we received. If we do not try it, if we fail in the effort, the people will know how to protest.

Mr Interim President of the Republic, I invoke God so he will guide you, and I appeal to the people so they will understand you.

Salvadorans: El Salvador is a nation full of hope, which has proven that its spirits are high and its courage always ready to confront the challenges of destiny.

On our part, on the part of the revolutionary government junta, it is of special importance to us that at this historical stage we can tell our people: We have fulfilled our mission. Thank you very much.

HEAVY FIGHTING RESULTS FROM MORAZAN CAMPAIGN

PA012142 San Salvador LA PRENSA GRAFICA in Spanish 30 Apr 82

[Text] A military source said yesterday that more than 100 subversives have died in clashes with government soldiers during the Torola operation that is currently underway in Morazan Department. The source added that the fighting has been intense from the outset of the operation and that the extremists, members of clandestine organizations, using their knowledge of the rough terrain, have offered greater resistance in areas near the border pockets, where they fled upon realizing that they had been defeated.

As for army casualties, the source said that there were many but did not specify figures. On the recovery of weapons, the destruction of camps and of clandestine hospitals, the discovery of manmade tunnels and other details, the source added that all of this information would be included in the official report on the operation.

It was said that combined army and security forces, as well as the Atlacatl Battalion, which specializes in anti-insurgency struggle, are participating in this military operation. Finally, it was noted that the clean-up operation will continue until the terrorist redoubts detected by military intelligence in that northeastern department have been eradicated.

More on Current Fighting

PA010536 Tegucigalpa Cadena Audio Video in Spanish 2039 GMT 30 Apr 82

[Excerpt] San Salvador — Military sources confirmed today that 16 soldiers and 1 officer were killed during a Salvadoran Army offensive against guerrilla positions in Chalatenango Department. Meanwhile, intense fighting has continued in Morazan Department since last weekend, as government forces and FMLN forces clash. According to the same sources, there is no indication as to when this fighting will end.

Another report says that communications in Tonacatepeque, 10 km northeast of the capital, have been cut by FMLN sabotage of telephone and power cables. This city was declared an emergency zone in view of the constant guerrilla harassment in this sector for some time, it was officially reported.

Military sources also explained that the 10 soldiers who were killed in Chalatenango, along with their commanding officer, Lt Gilberto Morales, were attacked at a place known as La Reina, Chalatenango Department, some 70 km north of San Salvador, as they guarded this town. Meanwhile a large operation is underway in Morazan near Torola, where, according to military sources, some 100 guerrillas and several soldiers have been killed.

TERRORISTS RAID ON SAN MARTIN, SUCHITOTO REPULSED

PA032319 San Salvador LA PRENSA GRAFICA in Spanish 26 Apr 82 pp 2, 48

[Text] Attacks to harass the military posts in San Martin and Suchitoto have been repulsed by the government forces without reports of casualties on either side, a military source reported. The military spokesman said that approximately 300 heavily armed terrorists tried to "take" San Martin but were forced to flee when the security corps and the army repulsed them. He said that the extremists had previously blown up hightension towers in the village of El Mojon, La Flor canton, which caused a long blackout. Subsequently, electric power service was restored.

From Suchitoto it was reported that an undetermined number of terrorists had attacked the city from different directions, principally affecting the suburbs of San Jose, El Calvario, La Cruz and Santa Lucia. The source said that as soon as the terrorists appeared, combined army and security forces went to engage them and forced them to flee in disorder. Finally, it was reported that after these actions in both cities, order was restored and all activities are progressing normally.

REVOLUTIONARY LEADER VIEWS WORLD SOLIDARITY

PA021219 Havana International Service in Spanish 0000 GMT 2 May 82

[Text] World solidarity and the decision of the Salvadoran people not to weaken until the final victory, will halt the imperialist hand which pretends to stay the advance of the revolutionary forces in our country, Salvador Cayetano Carpio, member of the FMLN general command, said to Radio Havana.

Carpio said that during his tour of Vietnam and Arab and European countries, he received many expressions of support fot the Salvadoran struggle and of rejection for the interventionist policy of the Ronald Reagan administration which refuses to admit that when a people take up arms and begin the struggle, nothing can stop them.

The Salvadoran revolutionary leader expressed his satisfaction at participating in the ceremonies of the international workers day held here in Havana, as well as his [words indistinct] for having seen the huge march of the fighting people, proof of the Cubans' unbreakable unity and of their decision to defend the revolution at whatever price.

HAVANA REPORTS ON FMLN MILITARY ACTIVITIES

PA232026 Havana International Service in Spanish 1600 GMT 23 Apr 82

[Text] Three Salvadoran Army soldiers have died in an ambush laid by FMLN forces in San Antonio de Los Ranchos, Chalatenango Department, thus raising to 29 the number of military fatalities this week. It has also been learned that guerrilla forces occupied Las Vegas canton and set up roadblocks on the highway linking San Vicente and Zacatecoluca.

The news agency SALPRES has reported that other rebel units set up a roadblock on the Pan-American Highway a mere 500 meters away from the police checkpoint in San Felipe. A clash between guerrillas and an army column at the Babilonia hill, in San Salvador Department, has also been reported.

Other sources have reported that San Salvador was left with limited power early yesterday by guerrillas who sabotaged high tension towers in San Rafael Cedros. Meanwhile, the new Salvadoran Constituent Assmebly has met for the first time and elected ultrarightist ringleader Roberto d'Aubuisson as its president. D'Aubuisson has been accused of directing the death squads and killing San Salvador Archbishop Oscar Arnulfo Romero.

MANAGUA REPORTS ON FMLN MILITARY ACTIONS

PA252333 Managua Domestic Service in Spanish 1200 GMT 24 Apr 82

[Text] The FMLN occupied Sociedad, 12 km east of San Francisco Gotera, capital of Morazan Department. Meanwhile, (Mario Antonio Turcio), speaking on Radio Venceremos, described how the genocidal army had taken the town of (Guerrios) where they raped the women and slit their throats, while their children watched. A pregnant woman was kicked in the stomach and later killed.

(Turcios) is one of the 12 survivors of the massacre. Meanwhile, in San Salvador, the repressive forces continue their terrorist campaign against the people to keep them from supporting the FMLN activities. Yesterday, policemen in civilian clothing murdered four residents of a house, in front of all the neighbors.

RADIO VENCEREMOS REPORTS ON FMLN ACTIONS

Morazan Clash

PA231656 (Clandestine) Radio Venceremos in Spanish to El Salvador 0230 GMT 23 Apr 82

[War bulletin released by the Francisco Sanchez Northeastern Front]

[Text] On Tuesday, 20 April, an FMLN explorer squad detected an enemy column of about 40 National Guardsmen, who were patrolling (?the road leading from) Corinto to Sociedad, in Morazan Department. Upon detecting this column, our companeros took positions and engaged in heavy fighting with the enemy, forcing them to disperse and abandon their ammunition. An undetermined number of casualties were inflicted on the enemy. We sustained none ourselves. United to fight until the final victory. Revolution or death, we will win.

Attack in Sociedad

PA231757 (Clandestine) Radio Venceremos in Spanish to El Salvador 0230 GMT 23 Apr 82

[War bulletin released by the Francisco Sanchez Northeastern Front]

[Text] On 22 April 1982, FMLN forces attacked enemy positions in the town of Sociedad. Rifles and contact bombs were used during the attack. The enemy was unable to resist the attack and after 5 minutes they dispersed. Our forces then took the abandoned positions. We recovered the following war materiel: 750 rounds of 7.62 mm ammunition, 12 olive green uniforms, boots and other military equipment. We have not learned about the enemy's casualites, but we think they were numerous, judging from the trails of blood found in the abandoned positions. We ourselves had no problems and withdrew in orderly fashion. This attack on those enemy positions was directed by operations chief Commander (Ramon) and by platoon chiefs Companero (Abel) and Companero (Monico). United to fight until the final victory. Revolution or death, we will win. [signed] Commander (Chano) and Commander (Luisa).

FMLN May Day Message

PA251953 (Clandestine) Radio Vendceremos in Spanish to El Salvador 0230 GMT 24 Apr 82

[Message by the FMLN to the Salvadoran workers on occasion of 1 May; date and place not given -- read by announcer]

[Message by the FMLN to the Salvadoran workers on occasion of 1 May; date and place not given -- read by announcer]

[Excerpts] Make 1 May a day of combat. On the occasion of 1 May, international day of workers solidarity, the FMLN greets the Salvadoran workers in the cities and rural areas, especially, the thousands of farmworkers, poor peasants, workers in cities, teachers, intellectuals and other patriots, who are burdened by enormous material sacrifices but who, with an exemplary and heroic spirit of sacrifice, are fighting with weapons in hand against the exploiters and oppressors of our people. A struggle is going on throughout our country. We also greet the warriors in the cities, as well as the workers and the unions that, under the fierce threats, persecution and crime, are complying with their responsibility, thus defying the power of the genocidal dictotorship and of imperialism.

At this moment the workers and Salvadoran people realize that the consolidation of a fascist regime in our country has become more serious as a result of the electoral farce which was promoted by U.S. imperialism and which aimed at maintaining the Christian Democrats in power and supporting them in their counterrevolutionary role. The collapse of the U.S. plan resulted in the consolidation of fascism whose main exponent is the Nationalist Republican Alliance, ARENA, led by the individual who murdered Msgr Oscar Arnulfo Romero, archcriminal Roberto d'Aubuisson.

The electoral farce also made possible the political rehbailitation of the National Conciliation Party and the displacement of the Christian Democratic Party and its main leader, Jose Napoleon Duarte. ARENA's ascent to power diminishes the possibility of a negotiated political solution to the war. On the other hand, we are sure that cruelty against the population will increase as well as the danger of a foreign armed aggression against our people.

D'Aubuisson has publicly advocated using napalm bombs against the guerrillas. It is obvious that these bombs will be supplied by Mr Reagan and his warmongering allies.

They cannot stop the combative force of the Salvadoran epople because our struggle is the workers struggle and the poor people's war. It has the support of all the peoples of the world and of various governments and international organizations opposed to military intervention against the Salvadoran people.

Experience has shown the workers the necessity of taking up arms in an effort to establish social justice and democracy.

The workers are aware that only by setting up a revolutionary democratic government they will have the chance to establish the foundations for the construction of a new society in which their interests will prevail.

Thousands of workers in the cities and countryside are giving their lives today for such a government. There are significant labor groups fighting in the FMLN ranks, while the rest of the workers are participating in other forms of struggle.

Casualties Reported

PA261421 (Clandestine) Radio Venceremos in Spanish to El Salvador 0230 GMT 26 Apr 82

[Text] The enemy attacked our positions all day 25 April with 81-mm and 90-mm mortars as well as 105-mm cannons with no positive results. On 25 April at 1700 our forces ambushed a military detachment near (El Cortijo del Soldado) on the Negra road.

In the meantime, our forces have defeated the enemy in various combat zones in Morazan Department. The first dispatches received indicate that the enemy has lost 17 men and that our forces recovered 14 M-16 rifles, 1 M-79 grenade launcher [words indistinct]. These operations were led by the commanders (Silvio de Jesus Argueta), [name indistinct] and [Manuel de Jesus Argueta]. United to fight until the final victory. Revolution or death, we will win.

Fighting in Morazan

PA280550 (Clandestine) Radio Venceremos in Spanish to El Salvador 0230 GMT 27 Apr 82

[Text] Victorious battles were waged on 24 and 25 April in (Poza Honda), Morazan Department. Heavy fighting continued until late in the afternoon today, 26 April, during which the enemy used artillery and planes. We are now contacting our mobile unit for a report on the fighting. Go ahead, (Poza Honda).

[Begin relay] This is Radio Venceremos broadcasting from the detour at (Poza Honda), jurisdiction of Meanguera, Morazan Department, where heavy fighting has been taking place between dictatorship and FMLN forces. We have already reported that on 25 April our forces defeated a company of the dictatorship which had been advancing on the boundaries of the territory held by us. We reported also that during the battle at (Poza Honda) we seized 17 U.S.-made M-16 rifles, 1 M-79 grenadelauncher, 20 M-79 grenades, 3,850 rounds and 65 M-16 clips. We can see at this moment some companeros coming to these positions with more M-16 clips and knapsacks containing ammunition, which increases the material seized by companeros during the fighting.

In this battle the revolutionary army has inflicted 17 fatalties and wounded a large but still undetermined number of soldiers, which may total between 30 and 40. The company has been partially annihilated during this battle at (Poza Honda).

At this moment, our forces are carrying out a huge combing operation in search of soldiers who may be stranded or wounded in the area. It is worth noting that the high command abandoned the bodies of soldiers today in this battlefield. Judging from the bloodstains, there may be many wounded soldiers abandoned in the area.

We are now standing by the bodies of 17 army soldiers. They were young Salvadorans who were forcefully recruited in Ahuachapan in order to bring them to die in Morazan. This shows the lack of responsibility of the military high command which, in its efforts to expand the war, uses these young Salvadorans to defend the lost cause of the oligarchy and fascism.

We wish to make a very important announcement, as follows: The FMLN calls on the International Red Cross to pick up, as soon as possible, the bodies of these 17 soldiers that were abandoned by the military high command on the turnoff to (Poza Honda) here in Morazan Department, so that these bodies may be turned over to their relatives for burial. We call on the relatives of these soldiers to be on the alert, because we are hereby calling on the International Red Cross to see to the delivery of the bodies of the soldiers whose names we are now going to read: (Calderon Cosmo, Jose Manuel), of Ahauchapan, corporal; (Pedro Ordonez Ramirez), corporal; (Hilario de Jesus Laguan Escalante), of (Illano de la Laguna) canton, Ahuachapan, another soldier who was killed in these clashes; (Juan Francisco Tovar), from (Juanquillo), Ahuachapan; (Jorge Antonio Herrera Aguilar), of Ahuachapan, (Eliodoro Castillo Sanchez), who was born in San Francisco Menendez, Ahuachapan.

We continue to look at the documents of the soldiers killed in (Poza Honda). Here we have some more documents. The soldier's name is (Manuel de Jesus Herrera Aguilar), of Achauco canton, Ahuachapan. Another document belongs to (Roberto Lopez Pineda), of Ahuachapan. He is another soldier abandoned by the military high command.

Another dead soldier is (Miguel Angel Salazar Roque), of Ahuachapan. We have here another document belonging to (Luis Angel Bueno) of (Los Mayeyes) canton, Ahuachapan; (Juan Francisco Esquivel Tovar), corporal.

We have just come across a document belonging to a member of the immediate action brigade, of the Atlacatl Battalion. His name is (Eliodoro Castillo Angel).

We repeat our call to the International Red Cross to come immediately to the (Poza Honda) turnoff, Meanguera municipality, Morazan Department, to pick up these 17 soldiers who were killed in combat on 25 April. The FMLN will extend every facility to the International Red Cross to come to this site in Morazan Department in duly marked vehicles.

In addition, we inform our people that on the afternoon of 26 April violent fighting continued between the revoluttionary army and the army of the dictatorship in (Poza Honda) and other places in Morazan Department. We will shortly be broadcasting more information (Poza Honda) on events that are taking place at this firing line, where the enemy has used 105-mm artillery and a tandem-engine plane to strafe the FMLN positions.

Fighting Near Meanguera

PA292000 (Clandestine) Radio Venceremos in Spanish to El Salvador 0230 GMT 28 Apr 82

[War bulletin issued by the Francisco Sanchez Northeastern Front -- read by announcer]

[Text] Today, 27 April, the fighting near the town of Meanguera continued. Heavy fighting between the dictatorship's army and the FMLN has continued all day. The enemy requested artillery and helicopter gunship support, without results. Fighting has been going on mainly in the (Poza Honda) canton. Our forces have confirmed approximately 25 casualties inflicted on the enemy. We report 4 casualties among our forces.

From another quarter it was learned that today, 27 April, our forces recovered four G-3 rifles, one M-16 rifle, one radio transmitter and one 90-mm cannon. This is added to the 17 weapons recovered by our revolutionary army to give a total of 22 rifles, 1 M-79 grenadelauncher, and 1 90-mm cannon.

[Signed] Francisco Sanchez Northeastern Front Command, united to fight until the final victory; revolution or death, we will win.

Northeastern Front Actions

PA292345 (Clandestine) Radio Venceremos in Spanish to El Salvador 0230 GMT 28 Apr 82

[War bulletin issued by the Francisco Sanchez Northeastern Front command -- read by announcer]

[Text] On 25 April at 0500, on the Ruta military highway that leads from San Miguel to San Francisco Gostera near El Guayabal and Arenera detours, FMLN forces set up a road-block and held a meeting attended by (?thousands) who demonstrated great solidarity with our revolutionary struggle. At 0600 an enemy helicopter showed up and began machinegunning our posts for 1 hour so that the enemy infantry troops could open fire against our forces. At that moment the helicopter was raked by our revolutionary rifle fire. It crashed and caught fire near the new San Miguel hospital. The people of San Miguel saw and rejoiced at this new victory of our victorious revolutionary army.

At 0700 heavy fighting started and lasted 2 hours and 30 minutes. Two confirmed deaths were inflicted on the enemy. At 0930 that same morning our revolutionary forces withdrew without problems. This operation was led by our Companero (Herbert). On that same day, 25 April, FMLN forces attacked the enemy posts on the (Urbina) bridge. One casualty was inflicted on the enemy. We had no casualties. This operation was led by our Companero (Cornelio).

On 26 April, the year of people's victories, at 0800 two enemy helicopters showed up at El Corozal canton, San Miguel Department. These helicopters machinegunned the civilian residents, forcing them to flee their homes for fear of being massacred by the dictatorship forces. On that same day two enemy columns advanced towrd [words indistinct]. The column advancing toward San Carlos arrived at Hacienda Las Perlas but did not advance further for fear of being ambushed by our revolutionary forces.

The column advancing west of our positions clashed with our forces at 1200 near (?Benito) hill and [words indistinct]. Heavy fighting lasted until 1800. We inflicted 14 casualties on the enemy. [Words indistinct] artillery used by the enemy, they bit the dust of defeat.

Eastern Front Clash

PA030142 (Clandestine) Radio Venceremos in Spanish to El Salvador 1400 GMT 2 May 82

[Text] On 26 April enemy forces, advancing in Cerro Bonito and (Alto Miro), were attacked by the Francisco Sanchez Eastern Front forces inflicting 14 enemy casualties. The enemy was defeated despite the indiscriminate use of artillery and air force.

Morazan Actions

PA030208 (Clandestine) Radio Venceremos in Spanish to El Salvador 1400 GMT 2 May 82

[Text] On 1 May our forces attacked an enemy company moving as part of another group that had entered in area under the people's control in Morazan. The fighting began the morning of 1 May in the zones of El Sencillo and Los Encuentros. The enemy was moving from the north to south. There were 500 soldiers, members of the Atlacatl Battalion and paratroopers. [Words indistinct] on the night of 30 April. These groups had been isolated from the rest of the enemy contingent taking part in the abortive Torola operation. As of this moment, 30 enemy casualties, dead or wounded, have been reported and four G-3 rifles with folding butt stocks, one M-79 and two transmitters (?PRT-77) have been recovered.

These attacks were led by the Companeros Commander (Silvio de Jesus Argueta) and Commander (Jesus Barrera).

NICARAGUA

BORGE URGES CONTINENTAL UNITY IN MALVINAS CRISIS

PA032022 Managua Domestic Service in Spanish 1800 GMT 3 May 82

[Text] In view of the aggression against Argentina for defending its sovereign right over the Malvinas Islands, America must rise as a single arm, as a single fist. The statement was made at noon today by Commander of the Revolution Tomas Borge Martinez, member of the FSLN National Directorate and interior minister. The Sandinist leader said that the United States, through its hatred for Latin America, sided with colonialism and against America. Here is Commander Tomas Borge's statement:

[Begin recording] We are in absolute solidarity with Argentina. The most important thing of all, however, is the fact that U.S. imperialism has shown its true face. In my opinion that is most important: Commonsense tells me that in the case of a confrontation between a Latin American nation and a European colonialist power, America should stand alongside the American country involved. The United States did the opposite; it sided with the European colonialist aggressor against the American nation. The U.S. position is so obviously against Latin America that it should prompt all the peoples and governments of Latin America to take notice.

In fact, I believe that the solidarity of the Latin American workers should be expressed in every possible way, even regarding the merchant vessels of an aggressor European nation. However, I don't know if, for example, the Sandinist workers federation here in Nicaragua, has done anything about that or perhaps the dockworkers or somebody. It is necessary to take the initiative and express our solidarity with Argentina.

We are in solidarity with Argentina, aside from possible differences concerning ideological and political matters. Our moral and political commitment as a Latin American country leads us to be on Argentina's side and against the aggression against Argentina. In fact, the first historic aggression committed was the occupation of that part of the Latin American territory for colonialistic purposes. Now, when its legitimate owners try to recover the Malvinas Archipelago, England reacts arrogantly, in an effort to preserve the image of might. In this day and age, such an attitude is obsolete in view of humankind's progress. It should not be considered humiliating to anyone. The truth is, however, that Argentina is being attacked and we, basically speaking, are solidly with Argentina. We are opposed to the colonialist power and against, above all, of the position assumed by the U.S. Government.

The consequences of the present situation in the Malvinas are unpredictable. The situation could have very serious international repercussions. Nevertheless, I believe Latin America should rise as a single being to confront this aggression. [end recording]

MINISTRY SCORES U.S. SUPPORT OF BRITISH ACTIONS

PA031448 Managua Domestic Service in Spanish 1200 GMT 3 May 82

[Text] The Nicaraguan Foreign Ministry, in view of the serious incidents taking place in the Malvinas Archipelago, makes the following announcement:

Nicaragua strongly repudiates the colonialist military aggression against the sister republic Argentina by Great Britain which, in addition to being an open violation of UN Security Council Resolution No 502, is also violating the recent resolution passed by the consultation meeting of th Organization of American States' foreign ministers, on Wednesday, 28 April 1982. Furthermore, the aggression is an attempt by the extracontinental power to reinstate its former Latin American policy, which we considered no longer existed; the policy of territorial usurpation by force.

The unjustified British attack on Puerto Argentino and other installations of the Malvinas Archipelago therefore constitutes a direct attack against the sovereignty, dignity, solidarity and territorial integrity of the Latin American peoples and a challenge to the mechanisms of collective security. Furthermore, it constitutes a direct menace to continental and world peace and a transgression of the principles consecrated in the UN and OAS charters and in the fundamental principles of international law.

As a country that maintains cordial relations with Great Britain, Nicaragua exhorts that nation, conforming to the resolution of the OAS consultation meeting, to immediately cease the hostilities and comply with the peaceful procedures to solve controversies as establishes by the UN and OAS charters and international law. Nicaragua, considering its policy of peace and respect in international relations, reiterates its willingness to cooperate in every possible way to achieve a peaceful solution of the conflict.

At this time, the attitude assumed by the U.S. Government cannot be ignored. With its open support of the extracontinental power as the aggressor against a Latin American country, the U.S. Government has revealed its presumed and never believed neutrality in the conflict, again showing the true role it has assigned to our Latin American nations: mere geopolitical reserves and part of what the U.S. Government describes as strategic borders of its imperialist interests.

This has clearly demonstrated that Latin American interests not only fail to concur, but are contrary to that of the North American power, which neither is nor should continue to be considered part of our area, as the Nicaraguan foreign minister said at the 11th OAS General Assembly in St Lucia, as well as at the recent OAS consultation meeting.

The U.S. Government, in violating the Inter-American Reciprocal Assistance, Treaty TIAR, which is a collective security treaty promoted by that northern power, also reveals its true objective. The U.S. Government reveals itself not as an instrument to guarantee the peace and security of the hemispheric nations against attacks from extracontinental countries, but as an instrument to combat Latin American ideologies and governments considered by the United States as opposed to its interests. The attitude assumed by the U.S. Government makes its compulsory to carefully consider the existence and feasibility of the TIAR and other similar inter-American treaties of which the United States is a signatory.

In view of the magnitude of the Malvinas crisis and the unpredictable consequences of that conflict and conforming to its anti-imperialist, Latin American and nonaligned international policy, which is opposed to all forms of colonialism and neocolonialism, Nicaragua again reiterates its absolute and unrestricted support for the Republic of Argentina in any measure it may take to guarantee its sovereignty, independence and territorial integrity. [Issued Managua, 2 May, 1982, year of unity before aggression.]

POLICE CHIEF RESIGNS; SUPPORTS EDEN PASTORA

PA021732 Panama City Circuito RPC Television in Spanish 2300 GMT 30 Apr 82

[Text] Commander Miguel Urroz, who until a few days ago served as chief of Nicaragua's internal order police, announced last night in San Jose, Costa Rica, that he militantly supports Eden Pastora, Commander Cero. According to Urroz, he shares Pastora's Sandinist and democratic ideals, which are the ideals of most Nicaraguans. The former Nicaraguan police chief said that he had left his post voluntarily.

GOVERNMENT STATEMENT PLEDGES SUPPORT TO ARGENTINA

FL011900 Havana Domestic Television Service in Spanish 1705 GMT 1 May 82

[Text] of Cuban Government statement -- read by announcer]

[Text] At a time when in all areas of the world demands for continuing the process of negotiations over the Malvinas were growing, the colonial arrogance of the British Government, which now has the shameless support of U.S. imperialism, has launched an attack against Argentine territory in an attempt to gain through force, that which does not rightfully belong to them.

Cuba repudiates this intolerable attack and reiterates its solidarity with the Argentine people who are fighting to defend their sovereignty. All of the hypocrisy of the so-called inter-American system, forged by the U.S. imperialists to serve their own interests, crumbles now when, facing an attack on one of the Latin American countries, the U.S. Government joins the attackers and provides its unlimited military and political support.

The real nature of the TIAR [Inter-American Reciprocal Assistance Treaty] has been bared and, once again, the people of Latin America and the Caribbean are able to confirm who their historical enemy is. This is the time for Latin American solidarity. The cause of the Malvinas is the cause of the Argentine people and, as such, the cause of Latin America and the Caribbean -- our cause. It is necessary to stop the attack and to assert the right. The countries of Latin America are duty-bound to support Argentina with all necessary means. Cuba is willing, together with the peoples of Latin America, to comply with that duty.

[signed] The Revolutionary Government of Cuba.

Group Condemns Imperialism

PA020321 Havana International Service in Spanish 0000 GMT 2 May 82

[Excerpts] An official note from the Cuban Revolutionary Government states that, in view of the new British aggression against the Malvinas Islands, Latin American countries are dutybound to support Argentina in every possible way.

The note protests U.S. pharisaism at the time of an attack by a foreign power against a people of the region who are defending their most cherished and legitimate rights.

Meanwhile, the African-Asian-Latin American Peoples Solidarity Association issued a statement condemning the arrogant imperialist actions against the entirely legitimate goals of the Argentine people.

CARLOS RODRIGUEZ MAKES OFFICIAL VISIT TO FRANCE

For coverage of Vice President Rodriguez' visit to Paris, see the France section of the 4 May Western Europe DAILY REPORT and subsequent issues.

BARBADOS

BIRD CALLS FOR CARIBBEAN SECURITY FORCE

FL040030 Bridgetown CANA in English 2225 GMT 3 May 82

[Excerpt] Bridgetown, Barbados, 3 May, (CANA) -- Antigua and Barbuda's foreign minister, Lester Bird, today urged fresh efforts to form a binding political union in the Caribbean and the establishment of a special security force to defend the English-speaking region from external military threats. On the force, he said: "As a region, we would open our countries to military adventurism if we delay for much longer the establishment of such a defence capability."

Mr Bird told delegates from Commonwealth member countries: "Events in the Seychelles last year, in Dominica when a group of mercenaries were actually assembled, and the current Falkland Islands crisis demonstrate the vulnerability of small states." The special force was billed as something to help break the English-speaking Caribbean's "chain of dependence on international institutions and on (major) donor governments" for military and economic aid.

Mr Bird said that unless the governments came up with a mechanism for binding decisions at the political level and a set of arrangements for making an independent economic entity of the Caribbean no real progress would be made on solving problems of high unemployment, under-development and economic dependence. He said the collapse of the West Indies Federation -- the area's first formal political union in 1962 -- and different ideological positions in the area might be seen as ruling out any consensus in regional decision-making.

"But nonetheless I understand that the Caribbean will be forever cast asunder and will forever be nought with no hope of freeing itself from the snares of others, whether they be from the East or West, until such time as reach a confluence of will on the establishment of political machinery binding on us all," he remarked.

GRENADA

SURINAME'S DEYSI BOUTERSE ARRIVES FOR VISIT

FL032345 Bridgetown CANA in English 2312 GMT 3 May 82

[Text] St Georges, Grenada, 3 May (CANA) -- Lt-Col Deysi Bouterse, head of Suriname's revolutionary military government, arrived in Grenada this afternoon on an official visit. The Surinamese leader was met on arrival at Pearls Airport by Prime Minister Maurice Bishop. The welcoming party included Deputy Prime Minister and Minister of Finance Bernard Coard, Minister of Agriculture George Louison, and General of the Army Hudson Austin. Also on hand were officials of the Ministry of Foreign Affairs, headed by Ambassador to Suriname Vernon Simon.

Soon after arrival, Lt-Col Deysi Bouterse, who was accompanied by his country's minister of foreign affairs, Harvey Naarendorp, inspected a guard-of-honor made up of members of the revolution armed forces. At a press conference at the airport, he expressed pleasure at being in Grenada, a country with which he said Suriname has growing ties. He pointed out that both Grenada and Suriname were building revolutionary processes.

Commenting on the attempted coup in Suriname on March 11 Lt-Col Deysi Bouterse said that security had been stepped up in an effort to prevent a recurrence. He said that the experience with the abortive coup had some positive sides since it had enabled the revolutionary authorities to discern friends from enemies.

On the Caribbean Basin Initiative, he stated that any plan which did not further the integration of the peoples could never be beneficial to the people in this area.

GOVERNMENT REDUCES CABINET SIZE, SHUFFLES MINISTERS

FL040110 Bridgetown CANA in English 0048 GMT 4 May 82

[Text] Georgetown, Guyana, 3 May (CANA) -- The Guyana Government has slashed the size of its cabinet in another cost cutting move, triggered by the country's continuing economic crisis. Six ministers have been relieved of their portfolios, one new one appointed and several responsibilities transferred to other cabinet colleagues.

President Forbes Burnham, who announced the cabinet shake up, said it was aimed at "streamlining the ministerial system and adjusting it to the requirements of dealing effectively with current circumstances." This was taken here as a reference to government's recent admission that the country was bankrupt.

The ministers removed are Joe Tyndall (agriculture), Oscar Clarke (regional development), Stanley Moore (home affairs), Seeram Prashad (minister in the Ministry of Agriculture), Robert Williams (minister of fisheries in the Ministry of Agriculture) and Conrade Wrights (minister of construction in the Ministry of Works and Transport). Kenneth Denny, former Workers Education Unit director, was named as the new minister of labour.

Mr Tyndall, the president's statement said, had been nominated to a post abroad while Mr Moore "at his request has been allowed to relinquish his ministerial responsibilities in order that he may resume his teaching assignment at the University of Guyana and to pursue further research." Vice President for Public Welfare Hamilton Green takes on the responsibility for the Ministry of Agriculture. The new minister of home affairs is Mr Jeffrey Thomas who was former minister of education, social development and culture.

JAGAN SLAMS U.S. CARIBBEAN BASIN INITIATIVE

FL301705 Bridgetown CANA in English 1458 GMT 30 Apr 82

[Text] Havana, 30 Apr (CANA) -- Guyana opposition leader Dr Cheddi Jagan has said here that the U.S.-backed Caribbean Basin Initiative (CBI) would fail because it was a rehash of an old plan to divide and rule the region. He said that through the CBI, the United States wanted to use some countries against others. Washington wanted to incorporate some countries, which would have bilateral agreements tied up with some kind of military and security arrangements, so as to use them to harass and to attack, if necessary, countries like Grenada and Nicaragua, the Guyanese politician said.

Dr Jagan was representing his People's Progressive Party (PPP) at a theoretical meeting here, sponsored by the Communist Party of Cuba and "[words indistinct] and general characteristicts of the revolutionary processes in Latin America and the Caribbean." At the end of the three-day meeting, attended by representatives of more than 30 progressive and revolutionary organizations of Latin America and the Caribbean, Dr Jagan spoke to CANA on Caribbean affairs. He said that Washington had always regarded this region as "its own lake or its backyard," due to its enormous investments in Latin America and the Caribbean.

That was why, after the Cuban revolution, for example, there was hysteria from the United States. Nonetheless, the Guyanese politician argued that there have been important progressive advances in the region. "We have the Grenada revolution, the Nicaraguan revolution, the Suriname progressive military coup, and electoral successes in other places," he argued. In Dr Jagan's view the CBI will fail, as did the Alliance for Progress program of 20 years ago. "That is why Washington has become hysterical, resorting to the old methods, combining the carrot with the club, using big stick methods, such as the present military maneuvres in the Caribbean."